February 10, 2015

St. Martin's Press, LLC
175 Fifth Avenue
New York, NY 10010

Gentlemen:

I refer to the agreement (the "Agreement") dated February 9, 2015 between St. Martin's Press, LLC ("St. Martin's") and **Ergo, Ltd** (the "Company") relating to the work tentatively entitled: **MOMENTS OF TRUTH (**the "Work").

In order to induce St. Martin's to enter into the Agreement with the Company:

(a) I hereby represent and warrant to St. Martin's: (i) that I am and will be **together with the Writer** the sole writers and preparers of the Work; (ii) that either (A) I have written or will write the Work as an employee of the Company acting within the scope of my employment, or (B) ~~the copyright in the Work and~~ all my other right, title and interest in the Work **excluding my exclusive rights under United States copyright law** have been assigned by me to the Company; (iii) that ~~the Company is~~ **I am** accordingly the sole owner of the entire worldwide copyright in the Work **(iv) that the Company** has the full right, power and authority to enter into the Agreement and to grant the rights therein granted; **(v)** that the Agreement is a valid and binding agreement of the Company, enforceable according to its terms; and **(vi)** that no assignments, security interests, licenses or other transfers of any rights in the Work have been, or will be, made by me or by the Company which conflict with the grant of rights to St. Martin's contained in the Agreement.

(b) I hereby agree to indemnify and hold St. Martin's, its licensees, successors and assigns and its and their officers, directors, employees, other agents, customers and distributors harmless from any losses, damages, expenses (including reasonable **outside** attorneys' fees and disbursements), judgments or settlements resulting from the breach or incorrectness of any of the representations or warranties made by me in this letter or arising from any **third party** claim or legal proceeding alleging facts contrary to or inconsistent with any such warranty or representation.

(c) I hereby absolutely and unconditionally guarantee to St. Martin's and its successors and assigns the full and prompt performance and observance of all the obligations required to be performed by the Company under the Agreement and any amendments or modifications thereto, including, without limitation, the full and prompt payment of all sums, if any, required to be paid by the Company pursuant to the Agreement or any amendments or modifications thereto. If any default at any time shall be made by the Company in the performance of any of such obligations, I will forthwith personally fully perform and fulfill such obligations and pay to St. Martin's all damages that may arise in consequence of any such default. This guarantee is an absolute, unconditional and continuing guarantee of prompt and full performance and payment and not merely of collection. It may be enforced against me without the necessity for any suit or proceeding on the part of St. Martin's against the Company. The validity of this letter and my liability hereunder shall in no way be terminated, affected, or diminished by reason of any dealings, transactions or matters or things occurring between St. Martin's and the Company, including, without limitation, any extensions of time granted by St. Martin's or modifications or amendments to the Agreement, or by reason of the

bankruptcy, reorganization, insolvency, dissolution, liquidation or cessation of business of the Company, whether or not I shall have notice thereof.

(d) If, by reason of the federal bankruptcy laws or any other federal or state law affecting creditors' rights, claim is ever made against St. Martin's for repayment or recovery of any amount or amounts received by St. Martin's in payment of any obligation of the Company under the Agreement and/or any amendments and/or modifications thereto and St. Martin's repays to the Company or remits to any third party (including, but not limited to, a trustee in bankruptcy) all or part of such amount by reason of any judgment, decree or order of any court or administrative body or any settlement or compromise by St. Martin's of any such claim, I agree that any such judgment, decree, order, settlement or compromise shall be binding upon me, notwithstanding any termination of the Agreement or the termination of this letter, and I agree that I shall be liable to St. Martin's for the amount so repaid or remitted.

(e) I agree to personally promote and publicize the Work as reasonably requested by St. Martin's. I hereby grant St. Martin's the right to use my name, biography, photograph and likeness in the Work and in any derivative works based on the Work and in the advertising and promotion of the Work and derivative works, **subject to the provisions of subparagraph 13(a).**

(f) I hereby agree to give St. Martin's an exclusive option to my next full length work on the terms provided in paragraph 22(a) of the Agreement.

(g) The Agreement and this letter, and St. Martin's and my rights and liabilities with respect to the Agreement, this letter and their subject matter, shall be governed in all respects by the laws of the State of New York, without reference to the principles of conflicts of law thereof.

(h) My agent, **Sterling Lord Literistic, Inc., Attn: Philippa Brophy, 65 Bleecker Street, New York, NY 10012,** is hereby fully authorized and empowered to act on my behalf on all matters in any way arising out of the Agreement or this letter. Notice to the Company as provided in the Agreement will constitute notice to me under both the Agreement and this letter.

Sincerely,

_____

Ehud Barak

ST. MARTIN'S PRESS, LLC
AUTHOR CORPORATION CONTRACT

This Agreement is made as of **February 9, 2015** (the "Effective Date") between **Ergo, Ltd**, care of **Sterling Lord Literistic, Inc., Attn: Philippa Brody, 65 Bleecker Street, New York, NY 10012** (the "Proprietor") and **St. Martin's Press, LLC, 175 Fifth Avenue, New York, NY 10010** (the "Publisher").

The Proprietor and the Publisher mutually agree to the following:

THE WORK, THE GRANT OF RIGHTS, TERRITORY AND DURATION

1. (a) This Agreement concerns a work provisionally entitled **MOMENTS OF TRUTH** to be written by **Ehud Barak** (the "Author") **and the Writer hired pursuant to paragraph 38** which will be a work of **nonfiction**, approximately **90,000** words in length, **which will be a memoir with thoughts on peace in the Middle East and which will contain approximately 20 black & white photographs** (the "Work").

(b) The Proprietor grants to the Publisher the sole and exclusive right to exercise and license (i) the right to reproduce, publish, distribute and sell ("publish") the full length Work in the English language in a product reproduced in print-on-paper or other physical media ("book form"), (ii) the right to use the full length content of the Work **(i.e., the complete, verbatim text of the Work and any artwork included in the Work)** in the English language in electronic media **in a work that is primarily intended to be read without the addition of sound, images or other materials and the right to create and to use in electronic media "enhanced electronic book editions" (as defined in paragraph 4(n)(v)) of the Work in the English language**, and (iii) the additional and subsidiary rights in the Work specified in paragraph 4 below, in the following territory: **throughout the world (the "Exclusive Territory").**

~~Notwithstanding the foregoing, for any country listed on Exhibit A whose copyright laws require publication or distribution of a book in that country within a specified period of time from original publication in order to secure or maintain full copyright protection, if the Work is not published in that country within that specified period of time then the Publisher will have the non-exclusive right to ship its editions of the Work into that country.~~

~~If the Work consists of more than one Book, the rights granted in this Agreement will apply to each Book separately.~~

(c) Each of the rights granted in this Agreement is granted for the full period(s) of copyright protection (including all renewals and extensions) provided under any copyright laws now or hereafter in force in each country included within the territory granted to the Publisher.

ADVANCE

2. The Publisher will pay the Proprietor, or the Proprietor's duly authorized representative, as an advance against the Proprietor's earnings from all sources under this Agreement, the sum of **Three Hundred Fifty Thousand Dollars ($350,000**) (the "Proprietor Advance"), payable as follows:

One Hundred Fifty Thousand Dollars ($150,000) upon signing of this Agreement;

One Hundred Thousand Dollars ($100,000) upon the Proprietor's delivery and the Publisher's acceptance of the complete and final manuscript of the Work; and

One Hundred Thousand Dollars ($100,000) upon publication of the Publisher's initial hardcover edition of the Work.

Any installment due on publication of the Publisher's initial edition of the Work will be paid not later than eighteen (18) months from the Publisher's acceptance of the complete and final manuscript of the Work as specified in paragraph 9~~; any installment due on publication of a paperback edition of the Work will be paid not later than thirty (30) months from the Publisher's acceptance of the complete and final manuscript of the Work as specified in paragraph 9~~.

~~If the Work consists of more than one Book, unless otherwise specified in this Agreement, for the purposes of paragraphs 9, 11 and 12 only, amounts paid on signing will be "attributable" in equal proportions to each Book comprising the Work and amounts due on delivery and acceptance or publication in any form of a particular Book, or within a specified period of time after delivery and acceptance or publication of a particular Book, will be "attributable" to that Book. However, for all other purposes, all amounts paid as advances under this Agreement will be treated as a single advance against earnings from all sources with respect to all the Books.~~

Except as may be otherwise specifically provided for in this Agreement, the Proprietor Advance is non-returnable.

ROYALTIES

3. So long as copyright protection subsists in the Work, the Proprietor will earn the following royalties **[see paragraph 34 concerning Publisher and Proprietor consultations and approvals]**

(a) *Hardcover Editions.* On sales by the Publisher of copies of its hardcover editions of the Work, except as specified in subparagraphs (h) through (n) below, **fifteen percent (15%)** of the list price on all copies sold.

(b) *Paperback Editions.* On sales by the Publisher of copies of its paperback and paper-over-board editions of the Work (other than mass-market paperback editions, which are covered in the next subparagraph), except as specified in subparagraphs (h) through (n) below, **ten percent (10%)** of the list price on all copies sold.

(c) *Mass-Market Paperback Editions.* On sales by the Publisher of copies of its mass-market (i.e., rack size) paperback editions of the Work, except as specified in subparagraphs (h) through (n) below, eight percent (8%) of the list price on the first one hundred and fifty thousand (150,000) copies sold, and ten percent (10%) of the list price on all copies sold thereafter.

(d) *Electronic Editions*. With respect to any exploitation of all or any portion of the Work in electronic media by or on behalf of the Publisher or a licensee of the Publisher, except as specified in subparagraphs (e) through (g) below, a royalty equal to twenty-five percent (25%) of the amount received by the Publisher (except that if the exploitation is pursuant to a license of rights in both print and electronic media, the Proprietor will earn a share under paragraph 5 in connection

with such license and no royalty will be payable under this paragraph 3(d) in connection with such license).

If, at any time after the effective date of this Agreement, either (i) the Publisher's standard royalty with respect to exploitation of all or any portion of the Work in electronic media is a higher percentage of the amount received by the Publisher than the percentage specified in this subparagraph 3(d), or (ii) the Publisher and the Proprietor's Agent, **Sterling Lord Literistic**, agree, for future agreements with authors or proprietors represented by **Sterling Lord Literistic**, upon a standard royalty with respect to exploitation of all or any portion of the Work in electronic media that is a higher percentage of the amount received by the Publisher than the percentage specified in this subparagraph 3(d), then the Publisher agrees that, upon its receipt of a written request from the Proprietor, this subparagraph will automatically be deemed to be amended, effective as of the beginning of the first full royalty accounting period commencing after the Publisher's receipt of such written request, to substitute such higher percentage royalty with respect to such exploitation in electronic media for the percentage now set forth in this subparagraph.

~~(e) *Graphic Books*. On sales by the Publisher of copies of its print on paper editions of Graphic Books, except as specified in subparagraphs (h) through (n) below, six percent (6%) of the list price. With respect to any exploitation of the Publisher's editions of Graphic Books in electronic media by or on behalf of the Publisher or a licensee of the Publisher, a royalty equal to ten percent (10%) of the amount received by the Publisher.~~

(f) *Audio Editions*. With respect to any exploitation of the Publisher's Audio Editions by or on behalf of the Publisher or a licensee of the Publisher**'s** edition in physical media form, except as specified in subparagraphs (h) through (m) below, a royalty equal to ten percent (10%) of the amount received by the Publisher. With respect to any exploitation of the Publisher's Audio Editions by or on behalf of the Publisher or a licensee of the Publisher's edition in electronic media by means of transmission, uploading, downloading, broadcast or similar means or methods (but excluding delivery of the Audio Edition in physical media form, such as on a CD) ("digital downloads"), a royalty equal to twenty percent (20%) of the amount received by the Publisher.

If, at any time after the effective date of this Agreement, either (i) the Publisher's standard royalty with respect to sales of digital downloads of audio editions is a higher percentage of amount received than the percentage specified in this subparagraph 3(f), or (ii) the Publisher and the Proprietor's Agent, Sterling Lord Literistic, agree, for future agreements with authors represented by Sterling Lord Literistic, upon a standard royalty with respect to sales of digital downloads of audio editions that is a higher percentage of amount received than the percentage specified in this subparagraph 3(f), then the Publisher agrees that, upon its receipt of a written request from the Proprietor, this subparagraph will automatically be deemed to be amended, effective as of the beginning of the first full royalty accounting period commencing after the Publisher's receipt of such written request, to substitute such higher percentage royalty with respect to such sales of digital downloads of audio editions for the percentage now set forth in this subparagraph.

~~(g) *Multimedia Rights and Game Rights*. With respect to any exploitation of Multimedia Rights, and any use of Games in electronic media by or on behalf of the Publisher or a licensee of~~

~~the Publisher, a royalty equal to ten percent (10%) of the amount received by the Publisher (except that if the exploitation is of a work created by a licensee pursuant to a license of Motion Picture and Television Rights or Game Rights, the Proprietor will earn a share under paragraph 5 in connection with such license and no royalty will be payable under this paragraph 3(g) in connection with such license).~~

(h) *High Discount, Special Sales and Remainder Sales.* On sales by the Publisher of copies of its editions of the Work in book form, and copies of its Audio Editions ~~and Graphic Books~~ in physical media form, except as specified in subparagraphs 3(i) through (n) below:

(i) Hardcovers.

(1) when sold at discounts from 48**%** through 54% (inclusive) from the Publisher's list price, a royalty equal to the prevailing royalty rate in subparagraph (a) above less two and a half percentage points (2 ½%); **(the Publisher agrees that no more than fifty percent (50%) of the total number of copies sold through regular trade channels will be accounted for as sales under this subparagraph 3(h)(i)(1))**;

(2) when sold at discounts greater than fifty-four percent (54%) and less than seventy-five percent (75%) from the Publisher's list price, a royalty equal to ten percent (10%) of the amount received by the Publisher.

(ii) *Paperbacks.*

(1) with respect to all paperbacks and paper-over-board editions (but excluding mass market paperback editions), when sold at discounts greater than or equal to fifty percent (50%) but less than seventy-five percent (75%) from the Publisher's list price, a royalty equal to ten percent (10%) of the amount received by the Publisher **(the Publisher agrees that no more than fifty percent (50%) of the total number of copies sold through regular paperback trade channels will be accounted for as sales under this subparagraph 3(h)(ii)(1))**; and

(2) with respect to mass market paperback editions, when sold at discounts greater than or equal to fifty-five percent (55%) but less than seventy-five percent (75%) from the Publisher's list price, a royalty equal to ten percent (10%) of the amount received by the Publisher.

(iii) *Hardcovers, Paperbacks, and Audio Editions ~~and Graphic Books~~ in physical media form.*

when sold at discounts of seventy-five percent (75%) of list price or more, a royalty equal to ten percent (10%) of the amount determined by deducting all manufacturing costs of the copies so sold from the amount received by the Publisher.

(i) *Export*. On sales by the Publisher of copies of its hardcover and mass market editions of the Work, and copies of its Audio Editions ~~and Graphic Books~~ in physical media form, except as specified in subparagraph (k) below, when sold by the Publisher for resale outside of the United States, a royalty equal to ten percent (10%) of the amount received by the Publisher,

except that if the Proprietor will be entitled to a share under paragraph 5 in conjunction with such sales, then no royalty will be payable under this paragraph 3(i). On sales by the Publisher of copies of its trade paperback and paper-over-board editions, except as specified in subparagraph (k) below, a royalty equal to seven and one-half percent (7½%) of the amount received by the Publisher, except if the Proprietor will be entitled to a share under paragraph 5 in conjunction with such sales, then no royalty will be payable under this paragraph 3(i).

(j) *Direct Consumer Sales.* On sales by the Publisher of copies of its editions of the Work in book form, and copies of its Audio Editions ~~and Graphic Books~~ in physical media form, when sold by the Publisher or a U.S. affiliate of the Publisher directly to the consumer, whether by mail order solicitation, coupon or direct mail, from a website, through solicitation by radio or television or over any digital or cellular network, or otherwise, a royalty equal to ten percent (10%) of the amount received by the Publisher on the first 10,000 copies sold directly to the consumer and fifteen percent (15%) of the amount received by the Publisher on all copies sold directly to the consumer thereafter.

(k) *Premium Sales.* On sales by the Publisher of copies of its editions of the Work in book form, and copies of its Audio Editions ~~and Graphic Books~~ in physical media form, when sold by the Publisher in a premium sale or sold to companies or organizations for usage or distribution by them in connection with their own activities or with the sale of their own products or services, a royalty equal to five percent (5%) of the amount received by the Publisher.

(l) *Short-run Printings.* On sales by the Publisher of copies of its editions of the Work in book form, and copies of its Audio Editions ~~and Graphic Books~~ in physical media form, when sold by the Publisher from any reprinting of ~~one thousand five hundred (1,500)~~ **two thousand (2,000)** copies or less (excluding individual copies printed on a print-on-demand basis) made at least ~~twelve (12)~~ **twenty-four (24)** months after initial publication of that edition, provided the regular sales of that edition of the Work during the royalty period immediately preceding the royalty period in which such a reprinting occurs have not exceeded five hundred (500) copies, a royalty equal to ~~one-half (1/2)~~ **three-quarters (3/4)** of the royalty rate that would otherwise apply to that sale under this paragraph 3. **The royalty reduction provided for in this paragraph 3(l) will not be applied by the Publisher to more than ~~one thousand five hundred (1,500)~~ two thousand (2,000) copies reprinted in any calendar year.**

(m) *Collections.* On sales by the Publisher of copies of its editions of any collection, omnibus volume, anthology or other compilation (a "Collection") in physical media form that includes the English language text of the Work (as well as any artwork included in the Work) and/or of any Audio Editions ~~or Graphic Books~~, except as specified in subparagraph (n), a royalty equal to the otherwise applicable royalty as provided herein prorated based on the number of works in the Collection.

(n) *Free Copies.* With respect to copies given away free for publicity or promotional purposes, or to induce additional sales, and with respect to copies destroyed or given or sold to the Proprietor, no royalty will be payable.

(o) *Definition of Amount Received by the Publisher.* When used in this Agreement, except as provided below, "amount received by the Publisher" means sums of money actually

received by the Publisher. In the case of use of the Work or any ~~Derivative Work~~ **Publisher Materials** in electronic media:

(i) "amount received by the Publisher" means sums of money actually received by the Publisher from any third party in exchange for the right to use (or authorize the usage of) all or any portion of the Work or the ~~Derivative Work~~ **Publisher Materials**, whether for a copy delivered on physical media or a copy delivered digitally, or for access to (or the right to grant access to), all or any portion of the Work or the ~~Derivative Work~~ **Publisher Materials** in any electronic media; and

(ii) if any amount received by the Publisher is attributable to the use in electronic media of the Work or the ~~Derivative Work~~ **Publisher Materials** and any other works, the Publisher will determine the portion of such amount that is attributable to the Work as follows: (1) if the Publisher receives from a third party an allocation of the amount it receives among the works used, the Publisher will utilize such allocation; and (2) in the absence of any such third-party allocation, the Publisher may utilize a determination of end user access to or unique page views of the Work or the ~~Derivative Work~~ **Publisher Materials** (in each case including an estimate determined by sampling) or the ratio of the list price of the Work or the ~~Derivative Work~~ **Publisher Materials** to the total of the list prices of all of the works to which the amount is attributable or, if none of the foregoing methods is applicable, the Publisher may utilize any other method of allocation it determines in good faith to be equitable **to the Proprietor. Upon the Proprietor's written request, the Publisher will provide a description of the sampling or allocation method used**.

Taxes included in the amount received; any insurance, shipping, mailing, freight, duties, customs clearance or other similar charges included in the amount received; any payment made to reimburse the Publisher for manufacturing costs; any charges for use of a digital delivery service included in the amount received; any foreign tax withholdings; and any fees or commissions paid by the Publisher to finders or third-party sales or licensing agents in connection with the transaction will be deducted from the sums of money actually received, **provided, however, that any deduction by the Publisher for fees or commissions paid by the Publisher to finders or third-party sales or licensing agents in connection with a sale or license of Book Publication Rights outside the United States and Canada or Translation Rights will not exceed fifteen percent (15%) of the amount received.** All references to the Work in subparts (i) and (ii) in this subparagraph (o) will include ~~Derivative Works~~ **Publisher Materials**.

~~(p) If the Publisher or a U.S. affiliate of the Publisher creates or commissions the creation of text and/or art for a Graphic Book edition by a writer and/or artist (or writer/artist team) ("Commissioned Graphic Book Material"), then the Publisher will recoup the amounts paid or to be paid to such writer and/or artist (or writer/artist team) in connection with the creation of the Commissioned Graphic Book Material as follows: (1) any royalty payable to the Proprietor under paragraph 3 from sales by the Publisher of a Graphic Book edition that uses Commissioned Graphic Book Material will be reduced by any royalty paid or to be paid on such sales to the writer and/or artist (or writer/artist team) of the Commissioned Graphic Book Material; and (2) the Proprietor's share under paragraph 5 of any amounts received by the Publisher from any license to a third party granting the right to use Commissioned Graphic Book Material will be calculated based on the difference between the amount received by the Publisher~~

~~from such license less the amount paid or payable by the Publisher or its U.S. affiliate to such writer and/or artist (or writer/artist team) with respect to the Commissioned Graphic Book Material.~~

(q) In all cases in subparagraphs (a) through (m) above, the computation of the number of copies sold will be net of returns. Notwithstanding anything to the contrary contained herein, (i) if any royalty rate specified in this paragraph 3 is to escalate by reason of the number of copies sold, then no sales at discounts of fifty-five percent (55%) of list price or any higher discounts will be taken into account for the purpose of determining the rate to be applied, and sales made by the Publisher or a U.S. affiliate of the Publisher direct to the consumer will only be taken into account for the purpose of determining the royalty rate to be applied under subparagraph 3(j); (ii) if the list price of an edition is reduced by the Publisher for the purposes of any sale so that the reduced list price is at least forty percent (40%) lower than the list price of that edition when initially published then, for the purposes of calculating the amount of any discount upon such sale only, the list price of that edition will be deemed to be the initial list price; and (iii) if by arrangement with any customer of the Publisher the discount applicable to a sale is increased in exchange for a waiver by the customer of the right to return copies previously sold to that customer at a lower discount, then the higher discount will be used for purposes of determining the royalty rate applicable to the sale of those copies. If ~~the Work consists of more than one Book or a Book or~~ the Work is published in more than one edition, the applicable royalty set forth in the various subparts of this paragraph 3 will apply separately to ~~each Book and~~ each edition; accordingly, in determining whether particular sales levels have been reached for the purposes of fixing the applicable royalty rate, only sales ~~of the Book~~ in the edition for which the calculation is being made will be included. In any case in which the Proprietor would otherwise be entitled both to earn a royalty under this paragraph 3 and to earn a percentage of the amount received by the Publisher under paragraph 5 on the same sale or receipts, the Proprietor will earn a royalty in accordance with this paragraph 3 (but will not also be entitled to payment under paragraph 5), except where this paragraph 3 provides that no royalty will be due (in which case the Proprietor will receive no royalty) or expressly states that the Proprietor will be entitled to a payment under paragraph 5 (in which case the Proprietor will receive the share specified in paragraph 5 of the amount received by the Publisher). If a U.S. affiliate of the Publisher publishes any edition of the Work or ~~a Derivative Work~~ **Publisher Materials**, its edition will be treated as the Publisher's (and sales by the affiliate will be treated as sales by the Publisher) for the purposes of this Agreement. **The Publisher agrees that any license of subsidiary rights made by it to a non-U.S. affiliate will be made on an arm's length basis.**

ADDITIONAL AND SUBSIDIARY RIGHTS

4. The following additional and subsidiary rights in the Work are included in the grant of rights and defined as follows **[see paragraph 34 concerning Publisher and Proprietor consultations and approvals]**:

(a) "First Serial Rights," meaning the rights to use all or any portion of the Work in the English language in newspapers, magazines and other periodicals (whether in one or more issues) before the date the Work is first available for sale to the public in book form, including the right to create for such usage abridged, adapted and condensed versions of the Work.

(b) "Second Serial Rights," meaning the rights to use all or any portion of the Work in the English language in newspapers, magazines and other periodicals (whether in one or more

issues) on or after the date the Work is first available for sale to the public in book form, including the right to create for such usage abridged, adapted and condensed versions of the Work.

(c) "Selection Rights," meaning the rights (i) to create condensed, adapted and abridged English language versions of the Work, to publish and to use those versions; (ii) to use any portion of the English language text of the Work (as well as any artwork included in the Work) in electronic media; (iii) to use all or any portion of the English language text of the Work (as well as any artwork included in the Work) as part of a Collection in any media granted to the Publisher by this Agreement, and (iv) to grant permissions to use all or any portion of the Work in print and other media granted to the Publisher by this Agreement (including but not limited to reprographic and other image processing technologies for storage, display and printing of images of the printed page).

~~(d) Graphic Book Rights," meaning the rights: (i) to create (or have created) Graphic Books in the English language based on the Work and to publish those Graphic Books in book form; (ii) to publish and to use those Graphic Books (as well as text, art or other excerpts from those Graphic Books) in electronic media and in any other form or media, and to exercise and exploit in connection with those Graphic Books the same additional and subsidiary rights that are granted to the Publisher by this Agreement in the Work; and (iii) to use the title of the Work in connection with, and in the advertising, promotion and publicity for, those Graphic Books. A "Graphic Book" as used anywhere in this Agreement means a work derived from the Work consisting of sequential art with captions, boxes and/or bubbles of text (which text may be original, adapted from the Work and/or taken verbatim from the Work, and will include any Alt-text). Graphic Book Rights include, without limitation, the right to incorporate plot elements, characters, fanciful places, situations, facts, ideas and events taken or derived from the Work into a Graphic Book.~~

(e) "Sound Reproduction Rights," meaning the rights to create, to publish and to use in electronic media, non-dramatic English language readings of all or any portion of the Work (including condensed, adapted and abridged versions), together with introductory, concluding, transitional and narrative material, as well as background music and/or other incidental or background sounds, whether in the form of records, tape recordings, sound cassettes, compact discs, electronic media or other technologies now known or hereafter devised ("Audio Editions").

(f) "Non-dramatic Reading Rights," meaning the rights to perform non-dramatic human voice readings of the Work (including, but not limited to, non-dramatic readings broadcast or transmitted by television or other electronic media, whether live or pre-recorded) with the right to accompany the readings with display of text and/or artwork from the Work. The Publisher may authorize the use of the Work in such forms without royalty or other fee.

(g) "Translation Rights," meaning the rights to translate the Work into languages other than English, to publish full length translations in book form and to use full length translations in electronic media, and to grant First Serial Rights, Second Serial Rights, Selection Rights, ~~Graphic Book Rights~~ and Sound Reproduction Rights in languages other than English.

~~(h) "Multimedia Rights," meaning the rights to create, to publish and to use in electronic media, works in any language based on the Work (including the rights to create, and to incorporate into those works, text, dialogue, sounds, music, artwork, video, animation, moving images, interactive elements, and other matter whether or not taken or derived from the Work or from the~~

~~plot elements, characters, fanciful places, situations, facts, ideas and events portrayed in the Work), provided, however, that if Motion Picture and Television Rights are not also granted to the Publisher by this Agreement, Multimedia Rights do not include the right to create and use dramatic versions of the Work in electronic media.~~ **Multimedia Rights are reserved to the Proprietor, subject to the provisions of paragraph 7.** ~~**Multimedia Rights are reserved to the Proprietor, but the Publisher will have an option to acquire such rights, as provided for in paragraph 22.**~~

~~(i) "Motion Picture and Television Rights," meaning the rights to exploit the Work and the Author's name (as the author of the Work) in motion pictures (including without limitation made for television movies), television series and mini series ("Motion Pictures"), and in prequels and sequels to such Motion Pictures, together with those allied rights customarily granted to motion picture producers, production companies or studios, and the rights to distribute and sell such Motion Pictures and prequels and sequels by all mechanical or electronic visual reproduction, display and performance, transmission and broadcast methods and technologies now known or hereafter devised (including by means of cassettes, DVDs, and other devices for home play and the right to use such Motion Pictures and prequels and sequels in electronic media).~~

~~(j) "Game Rights," meaning the rights to create games of any type, including without limitation board games, video games, electronic games and games to be played over the internet or other digital networks, in any language based on or derived from the Work and/or text, artwork, plot elements, characters, fanciful places, situations, facts, ideas, and events in the Work ("Games"), and to use Games in any manner or media.~~

~~(k) "Dramatic Rights," meaning the rights to create, perform and use live theatrical stage productions and dramatic radio productions based on the Work, and productions that set the Work to music.~~

~~(l) "Merchandising and Commercial Rights," meaning the rights to exploit the Work and the Author's name (as the author of the Work), and/or to use material taken or derived from the Work or from the plot elements, characters, fanciful places, situations, facts, ideas and events in the Work, in connection with merchandise, services or other commercial uses.~~

(m) "Rights to enable access," meaning the rights to reproduce and publish the Work in Braille and to use and authorize the use of the Work or any ~~Derivative Works~~ **Publisher Materials** in any other form and on any devices that enable or facilitate access to the Work for individuals who are blind, who have vision impairments, or who have physical or learning disabilities. The Publisher may authorize the use of any edition of the Work or any ~~Derivative Work~~ **Publisher Materials** in such forms and on such devices without royalty or other fee. Should any amount be received by the Publisher in connection with the exploitation of such rights, the Proprietor will earn the royalty or percentage of the amount received otherwise applicable to the use that resulted in such receipts.

(n) The following terms will have the following meanings when used in this Agreement:

(i) "electronic media" means all electronic, magnetic, digital, optical, laser-based and other media, devices and systems for the storage, manipulation, display, retrieval, publication, distribution, broadcast and/or transmission of text, data, images, sounds and/or other information in any electronic form, whether now known or hereafter devised,

including, without limitation, disk, CD-ROM, Cdi, DVD, integrated circuit card or chip, cellular device, and the Internet or other digital network, service or database or cellular or other transmission, whether interactive or not;

(ii) "use" (and its variants), when referring to the rights granted in this Agreement, includes, without limitation, copying or otherwise reproducing, publishing, distributing, selling, displaying, performing, **(but excluding any and all dramatizations),** transmitting, uploading, downloading and broadcasting;

(iii) "periodical" means a newspaper, magazine or similar publication that is published as issues distributed at fixed intervals primarily in print-on-paper formats, and any electronic media versions of those issues (such as a periodical's online digital archive, website or database that makes available the periodical's issues); ~~and~~

(iv) "artwork" means photographs, illustrations, paintings and other images (whether created by hand or through means of a camera, computer or other device now known or hereafter devised), and

(v) "enhanced electronic book editions" of the Work means electronic book editions and applications (which term will also include, without limitation, any "App") based on the Work that also contain audio, visual and/or audiovisual elements added to the Work for the purpose of enhancing the content of the Work, provided that such enhanced electronic book edition is primarily intended to be read and/or listened to in cases where a separate or synchronized sound recording of a reading of the text of the Work is one of the enhancements, and provided further that added visual and audiovisual elements (or, if the Publisher has not been granted Sound Reproduction Rights, any added sound reproduction of a reading of the text of the Work) are only used as part of an enhanced electronic book edition and not separate and apart from such edition. [See paragraph 34(a) concerning Proprietor approvals and consultations.]

(o) If any rights granted to the Publisher are not granted to it on a worldwide basis, it may nevertheless exercise or authorize others to exercise the rights granted by means of the internet or any other digital network, service or database or by cellular or other transmission (i) if the network, service, database or transmission is targeted primarily to customers or users within the territory granted **to the Publisher** or (ii) through any third-party distributor or service provider primarily serving customers within the territory granted **to the Publisher**, in each case even if some persons outside such territory may have access to such network, service, database or transmission. ~~**The Proprietor may grant the U.K. publisher the corresponding right to exercise the rights granted to the U.K. publisher from within the territory granted to the U.K. publisher on any digital network, service or database or by cellular or other transmission (i) if the network, service, database or transmission is targeted primarily to customers or users within the territory granted to the U.K. publisher or (ii) through any third-party distributor or service provider primarily serving customers within the territory granted to the U.K. publisher, in each case even if some persons outside such territory may have access to such network, service, database or transmission.**~~ If the Publisher is granted rights under multiple subparts above (e.g., both Selection Rights and Sound Reproduction Rights), it may combine or authorize the combination of such rights into single products or services.

LICENSING – SHARING OF RECEIPTS

5. The Proprietor will earn amounts equal to the percentages indicated below of the amount received by the Publisher from licenses to others by the Publisher of the following rights **[see paragraph 34 concerning Publisher and Proprietor consultations and approvals]**:

(a)	English language Book Publication Rights (including book club or similar organizations) when licensed for exercise in the United States, its territories and dependencies and Canada (regardless of any additional territory granted)	50%
(b)	English language Book Publication Rights (including book club or similar organizations) when licensed for exercise solely outside the United States, its territories and dependencies and Canada	75%
(c)	First Serial	90%
(d)	Second Serial	50%
(e)	Selection (excluding book club and similar organizations)	50%
~~(f)~~	~~Graphic Book~~	~~50%~~
(g)	Sound Reproduction	50%
(h)	Non-dramatic Reading	50%
(i)	Translation	75%
~~(j)~~	~~Motion Picture and Television~~	~~75%~~
~~(k)~~	~~Game~~	~~75%~~
~~(l)~~	~~Dramatic~~	~~75%~~
~~(m)~~	~~Merchandising and Commercial~~	~~75%~~
(n)	**The right granted to an unaffiliated licensee to prepare its own Electronic Book Edition of the Work and publish it under the licensee's name or imprint ("Electronic Book Edition Reprint Rights")**	**50%**

"Book Publication Rights" as used herein means the right to publish the Work in book form (whether or not other rights are also granted as part of the license).

If the Publisher elects to itself exercise any of the above rights for which a royalty is not provided elsewhere in this Agreement, the Proprietor will earn royalties with respect to the exercised rights in amounts **to be mutually agreed upon between the Publisher and the Proprietor in advance of such exercise** ~~consistent with applicable industry standards as reasonably determined by the Publisher~~.

The Publisher agrees that it will make arrangements with the Deborah Harris Agency to act as the Publisher's sub-agent with respect to licensing rights in the Hebrew language in Israel.

The Publisher will include in any license to any unaffiliated third party of Hebrew-language Translation Rights a provision requiring the Hebrew-language publisher to obtain the Author's consent of the translator for the Hebrew-language edition and granting the Author the right to submit to the Hebrew-language publisher additional material for inclusion in the Hebrew-language edition of the Work.

INTELLECTUAL PROPERTY OWNERSHIP

6. (a) *Copyright in the Work*. The copyright in the Work will belong to **Ehud Barak**. The Publisher agrees to imprint the copyright notice authorized by the United States copyright laws in each copy of the Work distributed by the Publisher **and will use reasonable efforts to have its licensees include such copyright notice in sublicensed edition(s) of the Work**. The Publisher is hereby authorized to register the copyright in the Work in the United States copyright office in the name of **Ehud Barak**, and the Publisher agrees to register the copyright of the Work in the name of **Ehud Barak** in the United States within three months of the Publisher's initial publication of the Work in book form (provided, however, that the Publisher will not be obligated to register the copyright if, prior to the time of publication, the U.S. copyright law is amended so that registration is no longer a prerequisite to the recovery of attorneys' fees and statutory damages in an infringement action). ~~If the Work consists of more than one Book, the provisions of this subparagraph (a) will apply separately to each Book comprising the Work.~~ With respect to any rights reserved to the Proprietor hereunder, the Proprietor agrees to take all steps necessary to protect the copyright in the Work.

(b) ~~*Copyright in Derivative Works.* The copyrights in any **D**erivative **W**orks~~ ***Ownership of Rights in Publisher Materials.*** **All rights (including without limitation the copyright) in and to any Publisher Materials** based on the Work that this Agreement authorizes the Publisher to create or to authorize others to create (~~"Derivative Works"~~ the "**Publisher Materials"**), including without limitation the performance copyright in any sound recordings this Agreement authorizes the Publisher to create or authorize others to create, will, at the Publisher's option, be owned by the Publisher or a U.S. affiliate of the Publisher and/or any licensee of the Publisher and the Publisher may register or authorize its U.S. affiliate or its licensee to register any such copyright in its own name, it being understood that such registration does not affect the ownership of the copyright in the Work. **The Publisher's right to create and use such ~~Derivative Works~~ Publisher Materials is limited to the term and scope of rights expressly granted by this Agreement. For purposes of clarification, the term ~~"Derivative Work"~~ "Publisher Materials" as used in this Agreement means a work created by the Publisher or a third party authorized by Publisher, in the exercise of the rights granted to the Publisher and as permitted in this Agreement, that recasts, transforms or adapts the Work and that, as a whole, represents an original work of authorship (such as, for example, a sound recording of a reading of the English language content of the Work, or artwork depicting plot elements, characters, fanciful places, situations, facts, ideas or events portrayed in the Work that is created by the Publisher for use on the book cover or jacket).**

(c) *The Publisher's Intellectual Property*. The Proprietor acknowledges that the Publisher has sole and exclusive ownership of the Publisher's trademarks, trade names, logos, series names **(with respect to those originated by the Publisher)**, imprints and any other

source identification now or hereafter used by the Publisher on and/or in connection with the Work or its exercise of the rights granted in this Agreement, as well as any trade dress, any graphic art or designs, and such advertisements and promotional materials as may be created or commissioned by the Publisher for usage on, in and in connection with its publication of the Work and its exercise of such rights (the "Publisher's Intellectual Property"). Nothing in this Agreement (including, but not limited to, the right of the Proprietor to purchase copies of the Publisher's editions on termination), and no reversion of rights in the Work, will permit the Proprietor to use the Publisher's Intellectual Property during the term of this Agreement or thereafter, without first obtaining the Publisher's consent in writing.

RIGHTS RESERVED TO THE PROPRIETOR

7. All rights in the Work now existing, or which may hereafter come into existence, except those specifically granted to the Publisher in this Agreement, are reserved to and by the Proprietor**, including but not limited to Multimedia Rights, Motion Picture and Television Rights, Dramatic Rights, Game Rights, and Merchandising and Commercial Rights** (the "Reserved Rights"). The Proprietor may exercise and grant licenses for the exploitation of any Reserved Rights subject to the following limitations: the Proprietor agrees that during the term of this Agreement ~~(a) the Proprietor will not exercise or authorize others to exercise the Reserved Rights in competition with or to the detriment of the Publisher; (b)~~ the Proprietor will not authorize or arrange for the publication, in book form or electronic form primarily intended to be read (or other form or media granted to the Publisher), of a novelization, tie-in, adaptation or other version of (i) the Work or (ii) a work in another medium **substantially** based on the Work or from which the Work was derived (and the Proprietor represents, warrants and covenants that the Proprietor has not previously authorized or arranged for any such publication) **which is in direct competition with the Work and/or the rights granted to the Publisher.**

The foregoing will not prevent the Proprietor from permitting the publication, in play form, of the actual screenplay of a motion picture, stageplay of a dramatic production, radioplay of a radio program or television play of a television show based on the Work, provided that the Proprietor will endeavor to require the publisher of any such play to include an acknowledgement that the play is "Based on the work entitled [final title of work] published by St. Martin's Press, LLC".

Reserved rights include, without limitation, the non-exclusive right to publish or cause to be published excerpts and summaries of plays, television (broadcast, cable, or home video) programs and motion pictures based upon the Work, provided, however, that the Proprietor agrees as follows: that said excerpts or summaries will not exceed in the aggregate seven thousand five hundred (7,500) words or ten percent (10%) of the Work in length, whichever is less; that none of such excerpts or summaries are published in a form or in a publication (be it paperback, magazine, newspaper or other) that is itself offered for sale to the public except in a souvenir program that is sold in motion picture theatres only; that the appropriate copyright notice is placed on all copies of such excerpts or summaries; and that such right of excerpt or summary may only be granted, used or retransferred in connection with Motion Picture and Television Rights and Dramatic Rights.

Reserved rights also include Multimedia Rights ~~(subject to the Publisher's option in paragraph 22)~~, provided, however, that if the Publisher does not acquire Multimedia Rights in the Work and the Proprietor subsequently licenses such rights to a third party, no multimedia versions of the Work may contain text from the Work that exceeds in the

aggregate seven thousand five hundred (7,500) words in length or ten percent (10%) of the Work, whichever is less.

For purposes of clarification and avoidance of doubt, the inclusion of the right to publish enhanced electronic book editions in this Agreement does not give the Publisher the right to create and use dramatic versions of the Work in electronic media, and nothing contained in this paragraph will be construed to restrict or encumber the Proprietor's right to grant Graphic Book Rights, Multimedia Rights, Game Rights, Motion Picture and Television Rights, Dramatic Rights and Merchandising and Commercial Rights to a third party.

COMPETITIVE WORKS

8. (a) The Proprietor will not authorize or arrange for the publication, distribution or sale in the Exclusive Territory, otherwise than by the Publisher, of any **other** work by the Author (or anyone who receives an author's credit on the Work) in which the Proprietor controls publication rights **on substantially the same subject and ~~directed toward the same market~~ intended for the same readership** that will directly compete with the Work or **clearly** diminish the value of any rights granted to the Publisher by this Agreement where such publication, distribution or sale will take place at any time during the term of this Agreement. ~~If the Work consists of more than one Book, all references to the Work in subparagraphs (a) above and (f) and (g) below will be deemed to refer to each of the Books comprising the Work considered separately.~~ **This subparagraph does not prohibit the Proprietor from authorizing the publication, distribution and sale of other fiction works with different characters, premises and plots from the Work nor the Author from writing and authorizing the publication, distribution and sale of other fiction works with different characters, premises and plots from the Work. Author written sequels, spin-offs, and prequels will not be deemed competing works. It is understood that the Author's next work as defined in paragraph 22 of this Agreement will be specifically exempted from the terms of this subparagraph (a) if the Publisher has declined to exercise its option under the terms of paragraph 22 or if the Exclusive Negotiation Period set forth in paragraph 22 ends without agreement between the Proprietor and the Publisher for the next work.**

Notwithstanding the foregoing in this Section 8(a), the Publisher recognizes that the Author is an expert in his field and participates in various business ventures and agrees that the Author may provide consultancy services, engage in business activities and ventures, cooperate with third party biographers, deliver lectures, and participate in interviews, including in the public media, and participate in films, documentaries, television shows and webinars and the like, whether or not regarding similar themes and concepts as are encompassed within the general subject matter of the Work, all without restriction hereunder and the Author is free to engage in any of the forgoing activities without notice to or permission of Publisher.

(b) Except as otherwise disclosed by the Proprietor in writing to the Publisher prior to the execution of this Agreement, and excluding other books that may already be under separate contract to the Publisher, the Proprietor will cause the Author to ~~complete the Work and deliver it to the Publisher prior to commencing the writing of any other book~~ **not begin work on any project that will interfere with the completion of the Work in accordance with the terms of this Agreement**.

(c) If the Work consists of one or more books in a series, the Proprietor agrees that additional books in the series in which the Proprietor controls publication rights will not be

~~written~~ **delivered elsewhere** until all the book(s) in the series in which the Publisher has been granted rights have been completed and delivered to the Publisher, and the Proprietor will not authorize or arrange for the publication of any additional book in the series in which the Proprietor controls publication rights prior to the first to occur of: (i) the first anniversary of the Publisher's first publication in book form of the last book under contract to the Publisher in the series or (ii) six months after the publication by the Publisher of a paperback edition of the last book under contract to the Publisher in the series.

~~(d) If the Work is a work of fiction, the Proprietor will not authorize publication of any other novel~~ **in the same genre as the Work** ~~in hardcover or paperback book format within the Exclusive Territory to be published prior to the end of six (6)~~ **three (3)** ~~months after the Publisher's first publication of the Work in book form~~ **or twenty four (24) months from the Proprietor's delivery and the Publisher's acceptance of the complete and final manuscript of the Work, whichever is sooner** ~~(excluding a novel for which the Proprietor is already under contract to another publisher and reprint editions of previously published novels).~~

~~(e) If, under the terms of this Agreement, the Proprietor has retained First Serial Rights in the Work, the Proprietor will obtain the prior approval~~ **consult with** ~~of the Publisher before licensing such rights to a third party. The Proprietor will in no event authorize the licensee to distribute, sell, anthologize or sublicense the serialization individually.~~

~~(f) If, under the terms of this Agreement, the Proprietor has retained any publication rights in the Work in the English language, the Proprietor will obtain the prior approval of the Publisher~~ **(such approval not to be unreasonably withheld or delayed)** ~~of any arrangement made for publication of the Work in the English language where such publication would precede the Publisher's initial publication of the Work in the United States in book form.~~

~~(g) If, under the terms of this Agreement, the Proprietor has retained any Sound Reproduction Rights, the Proprietor will~~ **use reasonable efforts to** ~~ensure that no Audio Edition of the Work is published where such publication would precede the Publisher's initial publication of the Work in the United States in book form.~~

THE DELIVERABLES

9. On **July 31, 2015** (the "Due Date"), the Proprietor will deliver the Work to the Publisher, in form and content satisfactory to the Publisher. To this end, the Proprietor will deliver: (i) the text of the Work (the "Text"), complete and ready for the copyeditor, in digital file format and in conformity with the Publisher's "Author Guidelines" that are current as of the time of delivery, plus a clean printout of the complete digital file containing the Text, double spaced, on sequentially numbered pages; and (ii) all photographs, charts, maps, illustrations and other artwork described in paragraph 1(a) or otherwise to be included in the Work **as mutually agreed upon by the Proprietor and the Publisher** (collectively, the "Illustrative Materials"), all in a form suitable for reproduction.

(b) The Proprietor agrees to obtain, and, upon request, to provide to the Publisher, all permissions, releases, licenses and consents (collectively, the "Clearances"), in form acceptable to the Publisher, and sufficient to allow the Publisher to exercise and license all of the rights in the Work granted to the Publisher by this Agreement. **Upon the Proprietor's request, the Publisher will provide the Proprietor with samples of forms that are acceptable to the**

Publisher for the Proprietor **to use in obtaining necessary Clearances.** If any such Clearances are missing or unsatisfactory, the Publisher may obtain them and the reasonable cost of such Clearances will be ~~deducted from monies otherwise payable to the Proprietor~~ **charged to the** Proprietor**'s royalty account** under this Agreement. If the Work is a work of nonfiction and the Publisher ~~concludes~~ **and the Proprietor mutually agree** that an index is necessary or desirable, the Publisher may have one prepared and the reasonable cost **(up to a maximum of one thousand dollars ($1,000)** of preparing the index will be deducted from monies otherwise payable to the Proprietor under this Agreement.

(c) If the Proprietor has not delivered the Work to the Publisher by the end of thirty (30) days after the Due Date, then at any time thereafter the Publisher may, at its option, **give written notice to the Proprietor demanding delivery of the Work, following which the Proprietor will have thirty (30) days to deliver the Work. If at the expiration of such thirty (30) days the Proprietor has failed to deliver the Work to the Publisher, the Publisher may (for so long as the Work remains undelivered), at its option**, terminate this Agreement by written notice of termination to the Proprietor. Upon the Publisher's written notice of termination, the Proprietor will repay to the Publisher all sums of money previously paid to or on behalf of the Proprietor under this Agreement and, upon receipt of such sums of money in full, the Publisher will revert to the Proprietor all rights in the Work granted to the Publisher by this Agreement.

(d) If the Work is delivered to the Publisher and the Publisher concludes that the Work, or any portion thereof, is unsatisfactory ~~but can be revised to the Publisher's satisfaction within a reasonable time~~, the Publisher will provide the Proprietor with its editorial comments **(and if after receipt of the Publisher's response as provided below the Proprietor requests that the Publisher provide a reasonably detailed summary of those editorial comments in writing to the Proprietor, describing the ways in which the manuscript as submitted needs to be revised, then the Publisher will do so)** and the Proprietor will deliver a revised manuscript of the Work (in the forms required by subparagraph (a) above) by a deadline reasonably set by the Publisher, **but in no event less than sixty (60) days from the Publisher's request for revisions**. If ~~the Publisher concludes that the Work, or any portion thereof, as first submitted cannot be revised to its satisfaction within a reasonable time or if~~ the Proprietor fails to deliver a revised manuscript of the Work by the Publisher's deadline or if the Proprietor delivers a revised manuscript but the Publisher determines that the revised manuscript is still unsatisfactory, the Publisher may reject the Work by written notice to the Proprietor. **Notwithstanding anything in this Agreement to the contrary, in determining whether the manuscript is satisfactory to the Publisher, the Publisher will not be entitled to consider as determinative changes in market conditions between the date this Agreement is executed and the date the manuscript is delivered or is to be published. The Publisher agrees to use reasonable efforts to respond within ~~ninety (90)~~ sixty (60) days of the Publisher's receipt of the complete manuscript and any Illustrative Materials comprising the Work together with a written notice from the Proprietor stating that the Proprietor believes the materials submitted to be complete and final and referring to this paragraph and the ~~ninety (90)~~ sixty (60) -day deadline contained herein. The Publisher's response should take one of the following forms: (i) an acceptance of the Work, (ii) a written or oral request for revisions in the materials submitted; (iii) a formal notice under this subparagraph or (iv) advice that the materials submitted are being reviewed by the Publisher's legal counsel. If the Publisher does not respond by the above deadline, the Proprietor may send the Publisher, by certified or registered mail, return receipt requested, a written notice that the deadline has expired and that the Publisher must respond within fifteen (15) days, in which**

case the Publisher will respond within fifteen (15) days of its receipt of that notice. The Publisher's failure to respond within such fifteen (15) -day period will constitute a material breach of this paragraph 9(d), and in such event the Proprietor may send the Publisher a notice of the Publisher's default in accordance with paragraph 28.

(e) If the Work is rejected as provided in subparagraph (d) above, the Publisher will be relieved of all further obligations under this Agreement (including, but not limited to, all obligations to make any further payments for the Work), and the Proprietor will be obligated to repay to the Publisher all monies paid to or on behalf of the Proprietor under this Agreement. If the Proprietor has used best professional efforts to produce a satisfactory manuscript, the Proprietor's obligation to repay such monies to the Publisher will be delayed until the Proprietor has made arrangements with any third party for exploitation of rights in any version of the Work or of any other work on a **substantially** similar topic; repayment will be made to the Publisher out of the first and, to the extent necessary, all subsequent monies received from any third parties ~~with respect to~~ **granted rights equivalent to any of the rights in the Work granted to the Publisher by this Agreement in** any version of the Work or of any other work on a **substantially** similar topic until the Publisher is repaid in full. Upon the Proprietor's receipt of notice that the Work has been rejected, the Proprietor may elect to offer any rights in the Work that were granted to the Publisher by this Agreement to third parties and may enter into contracts granting rights to such third parties if and only if such contracts provide for payment directly to the Publisher of the first and subsequent monies to be paid by such third parties until the Publisher is repaid all monies paid to or on behalf of the Proprietor under this Agreement. If within ~~one (1) year~~ **eighteen (18) months** following rejection the Publisher has not been repaid at least fifty percent (50%) of all monies paid to or on behalf of the Proprietor under this Agreement, the Proprietor will promptly pay to the Publisher an amount sufficient to bring the total repaid up to fifty percent (50%) of such sums. Thereafter, the Proprietor will continue to be obligated to repay the Publisher the outstanding balance out of the first and, to the extent necessary, all subsequent monies received from any third parties with respect to any version of the Work or of any other work on a **substantially** similar topic. Upon the Publisher's receipt of such monies in full, the Publisher will revert to the Proprietor all rights in the Work granted to the Publisher by this Agreement and this Agreement will be deemed terminated in its entirety.

~~(f) If the Work consists of more than one Book then, except as otherwise specified herein, subparagraphs (a) through (e) above will apply separately to each Book comprising the Work. Notwithstanding the above, any termination under this paragraph 9, whether by reason of the Proprietor's failure to deliver or the Proprietor's delivery of an unsatisfactory manuscript, will apply only to the particular Book concerned (unless the Publisher otherwise elects), in which case: (i) all rights in the terminated Book will revert to the Proprietor in accordance with subparagraph (c) or (e) above (whichever is applicable), but this Agreement (including, but not limited to, this paragraph 9) will remain in full force and effect with respect to the other Book(s) comprising the Work; (ii) the total Proprietor Advance provided for in paragraph 2 will be reduced to exclude the portion attributable to the terminated Book; and (iii) the Proprietor's obligation to repay amounts advanced will be limited to the portion of the Proprietor Advance paid that is attributable to the terminated Book. The Publisher may elect to have its termination apply also to any other Book(s) comprising the Work that are unpublished at the time of termination (in which case the consequences of termination specified in the preceding sentence as to the terminated Book, and the portion of the Proprietor Advance paid that is attributable to it, will also apply to those other Book(s) and the portions of the Proprietor Advance paid that are~~

~~attributable to them). If the termination of a Book under this paragraph 9 is by reason of the Proprietor's delivery of an unsatisfactory manuscript, and the Proprietor has used best professional efforts to produce a satisfactory manuscript for that Book, the Proprietor 's obligation to repay to the Publisher the portion of the Proprietor Advance attributable to the rejected Book (and any other Books to which the Publisher elects to have the termination apply) will be governed by subparagraph (e) above.~~ **If the termination of a Book under this paragraph 9 is by reason of the Proprietor's delivery of an unsatisfactory manuscript, the Proprietor may elect to terminate the Publisher's rights under this Agreement to any other Books comprising the Work that are unpublished and undelivered at the time of such termination, provided that the Proprietor's notice of termination specifies the Proprietor's intent to terminate this Agreement with respect to those other Books and is accompanied by repayment of the portion of the Proprietor Advance paid to the Proprietor that is attributable to those other Books.**

EDITING AND CORRECTION OF PROOFS

10. The Proprietor authorizes the Publisher to make the Work conform to the Publisher's standard style of punctuation, spelling, capitalization and usage and to make other customary copy editing changes, at the Publisher's own expense. The Proprietor will read, revise, correct and return to the Publisher any proofs of the Work furnished by the Publisher by ~~the~~ **a reasonable** deadline specified by the Publisher, **provided, however that, unless the Publisher's production schedule for the Work, or other exigent circumstances, requires a shorter period of time, the Proprietor will have no fewer than fourteen (14) days following receipt of such proofs within which to return such proofs**. If the Proprietor fails to return the proofs by that deadline, the Publisher will have the right to proceed to publication without the Proprietor's alterations/corrections. The cost of the Proprietor's alterations in the proofs in excess of ten percent (10%) of the initial setting cost will be charged against the Proprietor's royalty account, except that the Proprietor will not be charged for corrections arising from the typesetter's failure to accurately reproduce the copy-edited manuscrip**t, or for corrections arising from Publisher's errors. The Proprietor will have approval of any changes to the Text (other than customary copyeditor or proofreader corrections), such approval not to be unreasonably withheld, conditioned or delayed.**

PUBLICATION

11. (a) Within eighteen (18) months after the later of its acceptance of the Work (i.e., the Text, the Illustrative Materials and, if so requested by the Publisher, the Clearances) or the Due Date specified in paragraph 9, the Publisher will publish the Work **initially in a hardcover edition** at its own expense, **and otherwise** in a format, style, manner and at a price it deems best suited to the sale of the Work. ~~If the Work consists of more than one Book, the Publisher will not be required to publish the second and each subsequent Book comprising the Work prior to twelve (12) months after the Publisher's publication of the immediately preceding Book.~~ Such period(s) will be extended by an amount of time equal to any delay caused by the Proprietor or by circumstances beyond the Publisher's reasonable control (including, but not limited to, those described in paragraph 27). It is understood that the extent and manner of advertising, promotion and publicity, imprint, trademark, logo, cover presentation, quantity printed, list price, number and destination of free copies and all other decisions regarding publication, design, manufacture, distribution, marketing and sale will be at the sole discretion of the Publisher. **[See paragraph 34 concerning Publisher and Proprietor consultations and approvals.]**

(b) If the Publisher has not published the Work within the time period set forth in subparagraph (a) above, the Proprietor may, at any time thereafter while the Publisher's failure to publish continues, serve a written demand upon the Publisher by certified mail, return receipt requested, requiring the Publisher to publish the Work. If the Publisher's failure to publish persists for ~~six (6)~~ **three (3)** months after the receipt by the Publisher of such a written demand, the Proprietor may terminate this Agreement by written notice of termination sent by the Proprietor by certified mail, return receipt requested, and received by the Publisher prior to publication or commencement of printing. Immediately upon the Publisher's receipt of such notice of termination, this Agreement will terminate and all rights in the Work granted in this Agreement to the Publisher will revert to the Proprietor**, subject to paragraph 20(b), for the Proprietor's sole use and disposition**. In the event of such a termination, ~~such payments as have already been made to the Proprietor under this Agreement as advances~~ **the total unpaid portions of the Proprietor Advance payable under paragraph 2 will be immediately paid to the Proprietor and the total Proprietor Advance** will be the Proprietor's to keep in full discharge of all of the Publisher's obligations to the Proprietor under or in connection with this Agreement. No other claims, damages or remedies (whether legal or equitable, and whether founded on breach of contract, tort or otherwise) may be pursued against the Publisher by the Proprietor or the Proprietor's agents, heirs or assigns for the Publisher's failure or refusal under any circumstances to publish the Work or to perform any duty owed to the Proprietor where the alleged harm or damage arising therefrom is a failure to publish the Work.

~~(c) If the Work consists of more than one Book, subparagraphs (a) and (b) of this paragraph 11 will apply separately to each Book comprising the Work. Any termination pursuant to subparagraph (b) will apply only to the particular Book concerned and the reference to advances contained therein will be deemed to mean the portion of the Proprietor Advance paid~~ **or payable** ~~that is attributable to that Book; this Agreement will continue in full force and effect with respect to the other Book(s) comprising the Work,~~ **except that the Proprietor may elect to have its termination pursuant to subparagraph (b) apply also to any other Books comprising the Work that are unpublished and undelivered at the time of such termination, provided that the Proprietor's notice of termination specifies the Proprietor's intent to terminate this agreement with respect to those other Books and is accompanied by repayment of the portion of the Proprietor Advance paid to the Proprietor that is attributable to those other Books.**

12. The Publisher will not be obligated to publish or continue to publish the Work if, in the Publisher's judgment, the Work may lead to legal liability. If the Publisher concludes that there appears to be a substantial legal risk on account of the Work, or if a legal claim is asserted against the Work, the Publisher may delay publication or cease publication pending further investigation or the resolution of any such risk or claim. The Publisher may request such revisions to or deletions from the Work as will be necessary in the opinion of the Publisher or the Publisher's legal counsel to remove any such risk or resolve any such claim. If the Publisher submits the Work for legal or other professional review, then the Work will not be deemed accepted until all issues raised by such review have been resolved to the Publisher's satisfaction, regardless of whether any advance installment otherwise payable to the Proprietor on acceptance of the Work has been paid. In any case, no revisions to or deletions **requested by the Publisher** from the Work or request for substantiation made by the Publisher or its legal counsel will be deemed to impose on the Publisher any obligation of verification or to affect in any way the Proprietor's warranties, representations, or duty of indemnification under paragraph 21 of this Agreement, which will continue to apply to the Work, whether or not changed at the request of

the Publisher or the Publisher's legal counsel. If the Publisher makes the decision to cancel the publication of the Work or to cease distributing the Work as provided for in this paragraph 12, then the Publisher may terminate this Agreement in writing at any time and/or may exercise any other remedies available to it under the circumstances. In the event of such termination of this Agreement, all ~~amounts~~ **any unearned advances previously** paid by the Publisher to the Proprietor pursuant to this Agreement will be repaid promptly by the Proprietor to the Publisher. ~~If the Work consists of more than one Book, this paragraph 12 will apply separately to each Book comprising the Work. Any termination pursuant to this paragraph 12 will apply only to the particular Book concerned (unless the Publisher otherwise elects) and the reference to amounts paid by the Publisher to the Proprietor will be deemed to mean those amounts paid that are attributable to that Book. This Agreement will continue in full force and effect with respect to the other Book(s) comprising the Work, except that the Publisher may elect to have its termination apply also to any other Book(s) comprising the Work that are unpublished at the time of termination (in which case the consequences of termination specified in the preceding sentence as to the terminated Book, and the portion of the Proprietor Advance paid that is attributable to it, will also apply to those other Book(s) and the portions of the Proprietor Advance paid that is attributable to them)~~ **and (ii) the Proprietor may elect to terminate the Publisher's rights under this Agreement to any other Books comprising the Work that are unpublished and undelivered at the time of such termination, provided that the Proprietor sends the Publisher a notice of termination specifying the Proprietor's intent to terminate this Agreement with respect to those other Books and such notice is accompanied by repayment of the portion of the Proprietor Advance paid to the Proprietor that is attributable to those other Books.**

PROMOTION

13. (a) The Proprietor has the power and authority to authorize, and hereby does authorize, the Publisher and its licensees to use the **pre-approved** Author's name, **pre-approved** biography, and **pre-approved** likeness and any additional material that the Proprietor may deliver to the Publisher in connection with promoting the Work (i) in all editions of the Work and in any **Publisher Materials** ~~Derivative Works~~, and (ii) in connection with the advertising, publicity and promotion of the Work and **Publisher Materials** ~~Derivative Works~~ (including without limitation promotional uses described in subparagraph 13(c) and the exploitation of all rights granted to the Publisher under this Agreement. **Any photograph and/or likeness submitted by Proprietor will be deemed "approved", and once a photograph or likeness is approved, such photograph and/or likeness will be deemed approved for all uses in connection with promoting the Work. The Publisher will use the Author's biography and likeness as approved by the Proprietor without change (unless a change is subsequently approved by the Proprietor or the Author), and nothing contained in the Publisher's advertising, publicity or promotional materials for the Work will disparage the Author.**

(b) The Proprietor will cause the Author of the Work to cooperate with the Publisher in promoting the Work. Upon the Publisher's request, the Proprietor will cause the Author to make himself/herself available to the Publisher to participate in Author tours and other promotional activities (such as, for example, Author blogs, podcasts and online chats) **at mutually agreeable times and places** and the Proprietor will prepare or cause the Author of the Work to prepare and deliver to the Publisher such additional material as the Publisher may reasonably request **and as agreed to and provided by the Proprietor** for the Publisher to use in connection with publicity and promotion of the Work. If, at the Publisher's request, the Author participates in a tour set up by the Publisher, the Publisher will pay for the Author's reasonable

travel expenses in accordance with its standard practices for Authors' tours ~~and will consult with the Author concerning the scheduling of the tour~~.

(c) To promote the Work and any ~~Derivative Works~~ **Publisher Materials**, the Publisher may (i) distribute copies (such as review copies and advance reading copies) of the Work and any ~~Derivative Works~~ **Publisher Materials**, (ii) use or grant permission to use jackets, covers and/or extracts of the Work and any ~~Derivative Works~~ **Publisher Materials (such extracts not to exceed 25% of the Work and/or ~~Derivative Works~~ Publisher Materials without the Proprietors' approval, which will not be unreasonably withheld, conditioned or delayed)**, and (iii) permit the Work ~~(including early versions of the Work)~~ and any ~~Derivative Works~~ **Publisher Materials** to be included in content search programs in electronic media (and the Publisher may authorize its licensees to do all of the foregoing); promotional uses may be in any print or electronic media or any other media granted to the Publisher by this Agreement. The Publisher may also, to promote the Work and ~~Derivative Works~~ **Publisher Materials**, create and disseminate in any media advertisements and other promotional materials, including without limitation advertisements and promotional materials that utilize dialogue, sounds, music, artwork, video, animation, moving images and/or interactive elements based on the Work or ~~Derivative Works~~ **Publisher Materials** and/or on the plot elements, characters, fanciful places, situations, facts, ideas and events portrayed in the Work or ~~Derivative Works~~ **Publisher Materials** (and the Publisher may authorize its licensees to do all of the foregoing). The Publisher may also distribute or license distribution of products containing a reproduction of the jacket or cover of any edition of the Work and any ~~Derivative Works~~ **Publisher Materials** with the Author's name visible thereon, provided, however, that if any such products are offered for sale by the Publisher or its licensees, the Proprietor will earn thirty-three and one-third percent (33⅓%) of the amount received by the Publisher after deduction of any costs incurred by the Publisher in connection therewith (including, but not limited to, production costs and any fees or royalties paid for use of cover art in the products). **For purposes of promotion, advertising and marketing of the Work only, the Proprietor may use verbatim excerpts from the Work, not to exceed in the aggregate the lesser of seven thousand five hundred (7,500) words or ten percent (10%) of the Work to be taken from the beginning of the Work unless otherwise agreed between the Publisher and the Proprietor, for posting on the Proprietor's own website following publication of the Work by the Publisher, if such posting does not conflict with any license of rights that the Publisher might grant during the first year following publication. The Proprietor will consult with the Publisher prior to such posting and the choice of such excerpt will be mutually agreed by the Publisher and the Proprietor. An acknowledgement to the Publisher as the Publisher of the Work from which the excerpt was taken will be included with such excerpt.**

PROPRIETOR'S COPIES

14. Upon the Publisher's first publication of the Work in book form, the Publisher will give ~~ten (10)~~ **twenty (20)** free copies to the Proprietor and ~~five (5)~~ **ten (10)** free copies to the Proprietor's agent. The Proprietor will also be entitled to ~~five (5)~~ **twenty (20) and the Proprietor's agent will also be entitled to ten (10)** free copies of ~~any~~ **each** paperback reprint edition of the Work published by the Publisher and **the Proprietor will be entitled to five (5) and the Proprietor's agent will be entitled to one (1)** free copies of **any** Audio Editions ~~and Graphic Books~~ published by the Publisher in physical media form. ~~If the Work consists of more than one Book, the Proprietor will receive the specified number of copies of each Book comprising the Work.~~ Should the Proprietor desire more copies for personal use, the Proprietor may place pre-paid orders to purchase such copies at one-half the list price, plus shipping

charges (subject to availability in inventory). Copies given to or purchased by the Proprietor hereunder are non-returnable, and may not be sold by the Proprietor. **The Publisher will send the Proprietor's copies directly to the Proprietor at the following address: 1, Sdert Shaul Hamelech, Tel-Aviv 6573301, Israel (or to such other address designated by the Proprietor with thirty (30) days' prior written notice). The Publisher will give to the Proprietor, if available, two (2) free copies of any sublicensed edition of the Work.**

In addition, if in the future the Publisher's standard practice is to provide authors with gratis copies of electronic editions, the Publisher will, on request from the Proprietor or the Proprietor's agent, give the Proprietor one (1) copy of the Work in a securely encrypted digital file format with protections that limit access and copying (on condition that the Proprietor agrees not to provide any third party with such digital file of the Work).

SUBSEQUENT EDITIONS

15. If the Proprietor delivers or causes the Author to deliver additional material for inclusion in a subsequent edition of the Work or in any ~~Derivative Works~~ **Publisher Materials**, or delivers any additional material for promotion of any edition of the Work or ~~Derivative Works~~ **Publisher Materials**, the Publisher will have all rights in that subsequent edition of the Work, those ~~Derivative Works~~ **Publisher Materials** and in such additional material as the Publisher has in the Work under this Agreement.

PROPRIETOR'S AND/OR AUTHOR'S PROPERTY

16. The Publisher will not be responsible for any greater degree of care of any of the Proprietor's or the Author's materials in its custody than it takes of its own materials. In addition, except in the case of the Publisher's own gross negligence or intentional misconduct, the Publisher will not be responsible for loss or damage to any materials furnished by the Proprietor or the Author. The Proprietor or the Author will retain copies of any such materials furnished (or, in the case of photographs, the negative or duplicate positive of each photo) and the Publisher will in no event have any liability with respect to any materials for which the Proprietor or the Author fails to do so. **Upon the Proprietor's written request made within the ninety (90)-day period commencing upon initial publication of the Work, the Publisher will return the original manuscript and proofs. In the absence of such a written request from the Proprietor for their return, the Publisher may dispose of the original manuscript and proofs after publication of the Work.**

ACCOUNTING AND PAYMENTS

17. (a) Except as otherwise provided herein, the Publisher agrees to send, on its then regular royalty payment schedule for the imprint under which the Work is initially published, semi-annual statements of account following publication. The Publisher will make payment of the amount due, as shown on the statement, at the time the statement is rendered. Notwithstanding any other provision of this Agreement, no earnings will be due or payable to the Proprietor unless and until the Proprietor's earnings under this Agreement exceed the total Proprietor Advance (paid and to be paid in the future) under the terms of this Agreement**: and any bonus payable under paragraph 39**; once the Proprietor Advance **and any applicable bonus** are earned out, the excess of the Proprietor's earnings above the Proprietor Advance **and any applicable bonus** will be paid as provided above. In rendering any statements and in making any payments hereunder, the Publisher may deduct and withhold reserves against returns in reasonable amounts. **The reserve against returns for each edition of the Work will be held for the first four accounting periods following initial publication or any reissue or**

publication of a new edition of the Work, with no reserve thereafter, except that the Publisher may hold a reserve for any period in which five hundred (500) or more copies of an edition have been shipped and for any period immediately following any such period. The Publisher may also make any tax or other deductions required by law. If the balance to the credit of the Proprietor at the time any semi-annual statement is prepared is less than fifty dollars ($50.00), no payment will be made to the Proprietor and the amount due will be carried forward~~; if in any succeeding accounting periods the total balance to the credit of the Propietor is less than fifty dollars ($50.00), the Publisher may discontinue providing statements until such credit balance totals fifty dollars ($50.00) or more~~, but the Publisher will send statements **regardless of the balance shown on the statement** and make payments at the written request of the Proprietor.

Upon the Proprietor's written request, the Publisher will provide to the Proprietor (i) copies of fully-executed subsidiary rights licensing agreements made in connection with the Work, and (ii) copies of statements of account received from licensees of subsidiary rights in the Work. Not more than once per calendar year, and after receipt of the Proprietor's written request, the Publisher will provide the following information to the extent that it is reasonably available to the Publisher and not included in the Publisher's regular semi-annual statements of account: the approximate dates of first and subsequent printings, the approximate total number of copies printed, the number of copies being held as reserves against future returns, and an itemized listing of receipts from licensees of subsidiary rights. Any inadvertent failure by the Publisher to supply such information will not be deemed a breach of this Agreement.

Upon the Proprietor's written request, the Publisher will pay the Proprietor the Proprietor 's share of any amounts received by the Publisher from the license of subsidiary rights as specified in paragraphs 5(b) and 5(i) following the Publisher's receipt of such amounts, if, at the time of the Publisher's receipt, the total Proprietor Advance (paid and to be paid) as specified in paragraph 2 (plus any Bonus earned as specified in paragraph 39) has already been earned (or if such Proprietor Advance (and any Bonus) has not already been earned in full prior to such receipt, but will be earned out by application of less than all of the Proprietor 's share of the amount received, the Publisher will pay the portion of the Proprietor 's share not necessary to cover the Proprietor Advance (and any Bonus)). For the purposes of the above calculation, the Proprietor 's share of receipts from any license of subsidiary rights specified in paragraphs 5(b) and 5(i) will be deemed earned at the time of the Publisher's receipt, and royalties on sales of copies of the Publisher's edition(s) of the Work will be deemed earned at the time when reported on an accounting statement to the Proprietor. Notwithstanding anything to the contrary contained herein, the Proprietor may not request payment pursuant to this paragraph 17(a) more than once in any royalty accounting period and may not request payment if less than one thousand dollars ($1,000.00) would then be payable to the Proprietor under this paragraph 17(a). Amounts properly requested pursuant to this paragraph 17(a) will be paid within thirty (30) days of the Publisher's receipt of the request.

(b) The Proprietor understands that the Publisher may ask the Proprietor to provide certain documentation concerning the Proprietor's taxpayer status, and that unless the Proprietor promptly provides such documentation the Publisher may be required to withhold a percentage of amounts payable to the Proprietor hereunder in accordance with United States tax laws.

(c) Whenever the Proprietor has received an overpayment of monies for any reason whatsoever under the terms of this Agreement or owes the Publisher any money under this

Agreement ~~or otherwise~~, it is agreed that the Publisher may deduct the amount of such overpayment and/or the amount owed from any sums that may accrue to the Proprietor, ~~whether~~ under this Agreement ~~or under any other agreements the Proprietor may have with the Publisher~~, or may bill the Proprietor for such overpayment or amount owed. An unearned portion of the Proprietor Advance, however, will not be considered an overpayment or an amount owed by the Proprietor.

18. The Proprietor will have the right, upon prior written request, to examine at reasonable times the books of account of the Publisher insofar as they relate to the Work and the Publisher's exercise and/or license of the rights granted to the Publisher herein; such examination will be at the sole expense of the Proprietor unless errors of accounting amounting to five percent (5%) or more of the total sums paid to the Proprietor pursuant to this Agreement are found to the Proprietor's disadvantage, in which case, the reasonable cost of such examination will be borne by the Publisher. Statements rendered under this Agreement will be final and binding upon the Proprietor unless objected to in writing, setting forth the specific objections thereto and the basis for such objections, within ~~one year~~ **three (3) years** after the date the statement was rendered. **If errors in accounting to the Proprietor's disadvantage are established, whether as a result of such an examination or otherwise, the Publisher will pay the amount of the error thirty (30) days of its receiving notice and documentation of the error.**

REMAINDERS

19. The Publisher will make reasonable efforts to inform the Proprietor if it plans to remainder its entire inventory of copies of the Work and to offer to sell to the Proprietor all of the copies of the Work to be remaindered at a price equal to the price the Publisher reasonably anticipates receiving in the remainder sale (but the Publisher's failure to do so will not constitute a breach of this Agreement). **The Publisher agrees not to remainder the initial edition of the Work earlier than ~~six (6)~~ nine (9) months after its initial publication of the Work.**

TERMINATION/UNAVAILABLE FOR SALE

20. (a) If the Publisher determines, in its sole discretion, that the Work or any edition thereof has ceased to have a remunerative sale, the Publisher may discontinue publication. If, at any time after ~~five (5)~~ **two (2)** years from its initial publication by the Publisher, the Work is "Unavailable for Sale" (as defined below), the Publisher will, within six months after the Publisher's receipt of a written request from the Proprietor for reversion of rights in the Work, do one of the following to be selected by the Publisher in its sole discretion: (i) arrange for ~~an~~ **a complete, English language** edition of the Work published by the Publisher or a licensee to be available for sale in the United States; or (ii) upon payment to the Publisher of any sums owed by the Proprietor to the Publisher (which does not include any unearned portion of the Proprietor Advance), terminate this Agreement and revert all rights in the Work to the Proprietor (subject to subparagraph (b) below). For the purposes of this Agreement, the Work will be considered "Unavailable for Sale" if (and only if) there is no **complete, English language** edition of the Work ~~or any Derivative Works~~ **Publisher Materials** published or licensed by the Publisher available for sale anywhere in the ~~world~~ **United States through regular trade channels in any single-title, print-on-paper book or electronic media format (but excluding large print editions, book club editions or Audio Editions)**. **In addition, if, at any time after ~~five (5)~~ two (2) years from the Publisher's initial publication of the Work, neither the Publisher nor any licensee maintains an inventory of the Work and orders for copies of the Work are filled only by copies produced on a print-on-demand basis or in an electronic media format), and if, as reported on the statements of account for each of two (2) consecutive**

semi-annual accounting periods, the Proprietor's earnings from ~~all sources under this Agreement~~ the Publisher's and its U.S. licensees' editions of the Work are less than ~~one hundred fifty dollars ($150.00)~~ two hundred fifty dollars ($250.00), then the Work will be deemed "Out of Stock" for the purposes of this paragraph 20, in which event the Proprietor may send the Publisher a written request for reversion of rights in the Work, and the Publisher will, within six (6) months after its receipt of such written request, do one of the following to be selected by the Publisher in its sole discretion: (iii) arrange for a printing or reprinting of a complete, English language print edition of the Work; (iv) resolicit orders for the Work or take other steps reasonably calculated to increase the Proprietor's aggregate earnings from the Publisher's and its U.S. licensees' editions of the Work to ~~one hundred fifty dollars ($150.00)~~ two hundred fifty dollars ($250.00) or more per semi-annual accounting period; or (v) upon payment to the Publisher of any sums owed by the Proprietor to the Publisher (which does not include any unearned portion of the Proprietor Advance), terminate this Agreement and revert all rights in the Work to the Proprietor (subject to subparagraph (b) below). If the Publisher elects (iv) in the immediately preceding sentence and the Proprietor's aggregate earnings from the Publisher's and its U.S. licensees' editions of the Work do not increase to at least ~~one hundred fifty dollars ($150.00)~~ two hundred fifty dollars ($250.00) in the next full accounting period, the Proprietor may, within thirty (30) days of the date of the statement for that accounting period, terminate this Agreement by written notice sent by certified mail, return receipt requested. Any determination of the Proprietor's earnings for the purposes of this subparagraph 20(a) will be made at the time the semi-annual statement of account is rendered for that period pursuant to paragraph 17 of this Agreement. ~~Notwithstanding the foregoing, if the Work consists of more than one Book, this subparagraph 20(a) will apply separately to each Book; any termination pursuant to this subparagraph 20(a) will apply only to the Book(s) that are Unavailable for Sale **or Out of Stock** and are terminated through the procedure provided for above; and this Agreement will continue in full force and effect with respect to any other Book(s) comprising the Work.~~

The two hundred fifty dollars ($250.00) earnings level described herein will be adjusted on each ten (10) year anniversary of the date of this Agreement ("Ten Year Anniversary Date") to reflect the inflation or deflation of the U.S. dollar as indicated by the Consumer Price Index for All Urban Consumer Goods and Services, published by the Bureau of Labor Statistics or its successor, in the ten (10) year period since the date of this Agreement or the last Ten Year Anniversary Date, as applicable.

(b) Termination of this Agreement for any reason, whether or not pursuant to subparagraph 20(a), is subject to the continuation of any options, grants or licenses or other third party uses and rights arising from the Publisher's pre-termination exercise of the rights granted herein, and to the continuing receipt and retention by the Publisher of its share of the proceeds from such options, grants or licenses or other third party rights. The Publisher will also retain the right to thereafter dispose of remaining copies and any copies returned, as well as the right to itself continue to use the Work and/or ~~Derivative Works~~ **Publisher Materials** in electronic media for ~~six (6)~~ **three (3)** months after the effective date of any termination (subject to payment of any applicable royalties to the Proprietor), and to permit previous purchasers of copies of the Work and/or ~~Derivative Works~~ **Publisher Materials** in electronic media to download replacement copies. The provisions of paragraph 22 will survive the termination of this Agreement pursuant to subparagraph 20(a). **Notwithstanding the foregoing, the provisions of the two preceding sentences will not apply in the event of any termination by the Proprietor under paragraph 28.** The provisions of paragraphs 16, 17, 21, 23, 25 through 27, and 29 through 33 will survive any termination of this Agreement, whether pursuant to

subparagraph 20(a) or otherwise. The provisions of paragraph 6 that specify the parties' respective ownership of copyrights in the Work and in any ~~Derivative Works~~ **Publisher Materials** and the parties' respective ownership of any other intellectual property rights (including without limitation trademark rights) will survive the termination of this Agreement for any reason.

PROPRIETOR'S WARRANTY AND INDEMNITY

21. (a) The Proprietor hereby warrants and represents:

(i) that the Proprietor is the sole owner of the rights herein granted and the Author **and the Writer are** the sole authors of the Work, and that none of the Author , the Writer nor the Proprietor has assigned, pledged or encumbered such rights or entered into any agreement that would derogate or conflict with the rights granted to Publisher herein or that is inconsistent with the Proprietor's covenants herein and none of them will do any of the above;

(ii) that the Proprietor has the full right, power and authority to enter into this Agreement and to grant the rights herein granted;

(iii) that except for materials of others, permission for usage of which has or will be obtained by the Proprietor, the Work is original, previously unpublished and neither the Work nor any material portion thereof is in the public domain;

(iv) that the Work does not contain any material that violates any right of privacy, that is libelous or that violates any personal or other right of any kind of any person or entity;

(v) that the Work contains no material that would violate any contract of the Author, **or the Writer** or the Proprietor, express or implied, or that would disclose any information given to the Author or the Proprietor **or the Writer** on the understanding that it would not be published or disclosed, and that none of the Author, **the Writer** nor the Proprietor has ~~not~~ given any third party any right of approval over any of the contents of the Work or over the publication of the Work or the exploitation of any of the rights granted herein to the Publisher;

(vi) that no material in the Work plagiarizes or pirates any other work or infringes any copyright, trademark or other proprietary right;

(vii) that no recipe, formula or instruction contained in the Work is injurious to the user or others; and

(viii) that the Work does not contain any statements about the Author or his or her background or life story that are materially inaccurate and neither the Author nor the Proprietor, ~~nor any representative of the Author or the Proprietor,~~ has materially misrepresented the Work or the Author's background, life story or credentials to the Publisher.

The warranties and representations contained in this Agreement also apply with equal force and effect to any additional material prepared or delivered by the Author or the Proprietor for inclusion in a subsequent edition of the Work or in any **Publisher Materials** ~~Derivative Works~~ and to any statements and materials provided by the Author or the Proprietor to the Publisher for usage in promoting the Work or **Publisher Materials** ~~Derivative Works~~ or made, created, utilized and/or disseminated by the Author and/or the Proprietor in their own promotion of the Work or **Publisher Materials** ~~Derivative Works~~, including, without limitation, statements made in appearances (whether arranged by the Publisher, the Proprietor, the Author or another person or entity), and statements and materials appearing on a website (including without limitation in blogs or online chats). The warranties and representations contained in this Agreement extend to licensees and successors and assigns of the Publisher.

(b) (i) The Proprietor will indemnify and hold the Publisher and its affiliates, licensees, successors and assigns, and its and their distributors, customers, officers, directors, members, employees and agents, (collectively, the "indemnitees") harmless against any expense (including, but not limited to, reasonable attorneys' fees and disbursements) or judgment, settlement or other liability (collectively, "expenses") arising out of any claim or legal proceeding asserting claims inconsistent with or contrary to any warranty or representation made by the Proprietor in this Agreement (a "lawsuit"), except as otherwise provided in subpart (iv) below and except that the Publisher will look first to the insurance policy described in subpart (ii) below for fulfillment of the Proprietor's indemnity obligations under this subpart (i) with respect to any lawsuit covered by that policy. **The parties hereto will each promptly notify each other of any such lawsuit.**

(ii) The Publisher will, at its sole cost and expense, cover the Proprietor with respect to lawsuits arising from publication of the Work and/or any **Publisher Materials** ~~Derivative Works~~ under any publishers' liability insurance policy carried by the Publisher (i.e., a policy covering such risks as defamation, invasion of privacy and copyright and trademark infringement) that covers the lawsuit (the "Policy"). Coverage will extend only to such publication of the Work or **Publisher Materials** ~~Derivative Works~~ and will be subject to the terms and conditions of the Policy and to the Policy's deductible and coverage limits (which may be reduced or exhausted by claims relating to other works).

(iii) The Publisher will have the right to select counsel to represent any or all of the defendants in any lawsuit and to control the defense. The Proprietor agrees to cooperate fully with the counsel selected by the Publisher in the defense of the lawsuit. Failure to cooperate will be a material breach of this Agreement and may result in loss of insurance coverage. **The Proprietor may, if the Proprietor so elects, participate in the defense with separate counsel engaged by the Proprietor, at the Proprietor's sole expense. The Publisher will consult with the Proprietor concerning the selection of counsel and before entering into a settlement of a lawsuit, but the final decision in any event will be the Publisher's. If the Publisher proposes to enter into a settlement and the Proprietor objects, the Proprietor may post a bond issued by a financially secure surety or insurance company licensed to do business in the State of New York (in an amount, form, and content satisfactory to the Publisher) securing the Publisher, the insurer under the Policy, and any other parties to the lawsuit indemnified by the Proprietor against potential future**

additional costs of defense (including, but not limited to, reasonable outside attorneys' fees and disbursements) and potential liability in excess of the settlement amount proposed by Publisher. If the Proprietor posts such a bond and waives in writing coverage under the Policy with respect to the further costs of defense and liability in the lawsuit, the Publisher will not settle the lawsuit without obtaining the Proprietor's consent (except that the Publisher may settle for itself and/or if the Publisher so elects, any other defendants, but not the Proprietor, if the Publisher relieves the Proprietor from any obligation to indemnify the Publisher and any other settling defendant as to the settlement payment).

(iv) In the event of a lawsuit covered by the Policy, the Proprietor's indemnification obligation under this paragraph 21 with respect to the lawsuit will be limited to one-half of the expenses incurred by the indemnitees up to the amount of the applicable deductible under the Policy, provided, however, that this limitation will not apply to expenses incurred in connection with causes of action that are not asserted against any of the indemnitees (or to expenses incurred with respect to any causes of action after such causes of action have been dismissed as against all of the indemnitees) or are not covered by the Policy and provided, further, that if in such a lawsuit the Proprietor is found by the Court to have committed a copyright infringement, the Proprietor will be responsible for the entire deductible.

(c) Upon receiving notice of any claim, demand, action or suit or other legal proceeding alleging facts inconsistent with or contrary to any of the warranties or representations contained in paragraph 21(a), the Publisher will have the right to withhold any sums payable to the Proprietor in reasonable amounts as security for the payment of the Proprietor's potential obligations pursuant to the indemnity contained in paragraph 21(b). It is intended that the right granted by this subparagraph (c) will not be unreasonably or frivolously exercised by the Publisher. **Any amounts withheld under this subparagraph (c), less any amounts due to the Publisher under subparagraph 21(b), will be paid to the Proprietor within thirty (30) days after discontinuance, settlement or final judgment. If the actual suit is not commenced within one year of a claim or demand, amounts withheld under this subparagraph (c) will be paid to the Proprietor. Any amounts withheld and subsequently paid to the Proprietor under this subparagraph (c) will bear interest at the rate of six percent (6%) per annum.**

(d) The Publisher hereby represents and warrants to the Proprietor that (i) the Publisher has the full power and authority to assume the obligations to the Proprietor which are assumed by the Publisher in this Agreement, (ii) the Publisher will distribute and sell the Work in accordance with all applicable U.S. federal, state and local laws, rules and regulations, and (iii) except for material that is taken from or based on the Work or any statements or materials submitted by or on behalf of the Proprietor or that is included in the Work at the Proprietor 's request, the Work and any Derivative Work Publisher Materials will not contain anything furnished solely by the Publisher (including any third party licensor or licensee of the Publisher) which is libelous or which infringes or violates any copyright, trademark, right of privacy or other personal or other right of any kind of any person or entity.

(e) The Publisher will indemnify and hold the Proprietor harmless against any expense (including, but not limited to, reasonable attorneys' fees and disbursements) or judgment, settlement or other liability (collectively, "expenses") arising out of any claim or legal proceeding asserting claims inconsistent with or contrary to any warranty or representation made by the Publisher in this Agreement or involving controversies solely

based on commercial transactions between the Publisher and its customers, including, but not limited to, Publisher's advertising, marketing, promotion and distribution of the Work. In the event of any such claim or legal proceeding, the Publisher will select counsel to represent the defendants and will control the defense. The Proprietor agrees to cooperate fully with the counsel selected by the Publisher in the defense of the claim or legal proceeding. The Proprietor may join in the defense of any such claim or legal proceeding with counsel of the Proprietor's selection at the Proprietor's expense.

OPTION

22. (a) The Proprietor will offer to the Publisher the Author's next work of **non-fiction** in which the Proprietor controls the publishing rights before submitting the same to, or soliciting or entertaining any offers from, any other publisher. The Publisher will have a period of thirty (30) days after the later of: (i) the Publisher's receipt of a **detailed proposal**; or (ii) the Publisher's initial publication of the Work in which to make an offer for the Author's next work. If the Publisher makes an offer, the Proprietor will negotiate exclusively with the Publisher for a period of thirty (30) days following the Publisher's offer (the "Exclusive Negotiation Period"). ~~If the Work consists of more than one Book, then the reference to the initial publication of the Work in the second sentence will refer instead to the initial publication of the last Book to be published under this Agreement.~~ If the Publisher declines to make an offer for the next work by the above deadline or if the Exclusive Negotiation Period ends without agreement **for any or no reason**, then (but not before then) the Proprietor may submit the next work to one or more other publishers or solicit or entertain offers from other publishers~~, provided, however, that (i) the Proprietor will not enter into a contract for publication of the next work upon financial terms less favorable to the Proprietor than those offered by the Publisher; (ii) the Proprietor will provide the Publisher with the details of the material financial terms offered by another publisher prior to entering into any agreement with such publisher, and the Publisher will have the right to acquire rights in the next work by matching all the material financial terms offered by such other publisher by written notice to the Proprietor given no later than ten (10) days after the Publisher's receipt of such details~~.

~~(b) If the rights granted to the Publisher in this Agreement do not include a grant of Graphic Book Rights and if, the Proprietor controls those rights, the Proprietor will offer those rights to the Publisher before soliciting or entertaining offers from any other publisher. The Publisher will have thirty (30) days after receipt of notice from the Proprietor that its/he intends to license the Graphic Book Rights in which to make an offer for such rights. If the Publisher makes an offer, the Proprietor will negotiate exclusively with the Publisher for a period of thirty (30) days following the Publisher's offer (the "Exclusive Graphic Book Rights Negotiation Period"). If the Publisher declines to make an offer for such rights by the above deadline or if the Exclusive Graphic Book Rights Negotiation Period ends without agreement, then (but not before then) the Proprietor may solicit or entertain offers for such rights from other publishers, provided, however, that (i) the Proprietor will not enter into a contract for such rights upon financial terms less favorable to the Proprietor than those offered by the Publisher; (ii) the Proprietor will provide the Publisher with the details of the material financial terms offered by another publisher prior to entering into any agreement with such publisher for such rights, and the Publisher will have the right to acquire such rights by matching all the material financial terms offered by such other publisher by written notice to the Proprietor given no later than ten (10) days after the Publisher's receipt of such details.~~

~~(c) If the rights granted to the Publisher in this Agreement do not include a grant of Sound Reproduction Rights and if, the Proprietor controls those rights, the Proprietor will offer those rights to the Publisher before soliciting or entertaining offers from any other publisher. The Publisher will have thirty (30) days after receipt of notice from the Proprietor that its/he intends to license the Sound Reproduction Rights in which to make an offer for such rights. If the Publisher makes an offer, the Proprietor will negotiate exclusively with the Publisher for a period of thirty (30) days following the Publisher's offer (the "Exclusive Sound Reproduction Rights Negotiation Period"). If the Publisher declines to make an offer for such rights by the above deadline or if the Exclusive Sound Reproduction Rights Negotiation Period ends without agreement, then (but not before then) the Proprietor may solicit or entertain offers for such rights from other publishers, provided, however, that (i) the Proprietor will not enter into a contract for such rights upon financial terms less favorable to the Proprietor than those offered by the Publisher; (ii) the Proprietor will provide the Publisher with the details of the material financial terms offered by another publisher prior to entering into any agreement with such publisher for such rights, and the Publisher will have the right to acquire such rights by matching all the material financial terms offered by such other publisher by written notice to the Proprietor given no later than ten (10) days after the Publisher's receipt of such details.~~

~~(d) If the rights granted to the Publisher in this Agreement do not include a grant of Multimedia Rights and if, the Proprietor controls those rights, the Proprietor will offer those rights to the Publisher before soliciting or entertaining offers from any other publisher. The Publisher will have thirty (30) days after receipt of notice from the Proprietor that its/he intends to license the Multimedia Rights in which to make an offer for such rights. If the Publisher makes an offer, the Proprietor will negotiate exclusively with the Publisher for a period of thirty (30) days following the Publisher's offer (the "Exclusive Multimedia Rights Negotiation Period"). If the Publisher declines to make an offer for such rights by the above deadline or if the Exclusive Multimedia Rights Negotiation Period ends without agreement, then (but not before then) the Proprietor may solicit or entertain offers for such rights from other publishers, provided, however, that (i) the Proprietor will not enter into a contract for such rights upon financial terms less favorable to the Proprietor than those offered by the Publisher; (ii) the Proprietor will provide the Publisher with the details of the material financial terms offered by another publisher prior to entering into any agreement with such publisher for such rights, and the Publisher will have the right to acquire such rights by matching all the material financial terms offered by such other publisher by written notice to the Proprietor given no later than ten (10) days after the Publisher's receipt of such details.~~

AGENCY

23. ~~**All sums of money due the Proprietor under this Agreement will be paid to the Proprietor's agent, Sterling Lord Literistic, Inc., Attn: Philippa Brophy, 65 Bleecker Street, New York, NY 10012, and the receipt by it will be a good and valid discharge of all such indebtedness. Sterling Lord Literistic, Inc. is hereby empowered by the Proprietor to act on the Proprietor's behalf in all matters arising from this Agreement. For services rendered and to be rendered, the Proprietor does hereby irrevocably assign and transfer to Sterling Lord Literistic, Inc., the sum equal to fifteen percent (15%) as an agency coupled with an interest, out of all monies due and coming due to and for the account of the Proprietor under this Agreement.**~~

Sterling Lord Literistic, Inc. and The Deborah Harris Agency are hereby empowered by the Proprietor to act on the Proprietor's behalf in all matters arising from this Agreement.

For services rendered and to be rendered, the Proprietor does hereby irrevocably assign and transfer to Sterling Lord Literistic, Inc., the sum equal to ten percent (10%) as an agency couple with interest, and to The Deborah Harris Agency the sum equal to ten percent (10%) as an agency coupled with interest, out of all monies due and coming due to and for the account of the Proprietor under this Agreement.

Ten percent (10%) of all sums due the Proprietor under this Agreement will be paid to the Proprietor's agent, Sterling Lord Literistic, Inc., Attention: Philippa Brophy, 65 Bleecker Street, New York, NY 10012, and the receipt by it will be a good and valid discharge of all such indebtedness.

Ten percent (10%) of all sums due the Proprietor under this Agreement will be paid to the Proprietor's agent, The Deborah Harris Agency, Attention: Deborah Harris, Yael 9, Jerusalem 91083, Israel, and the receipt by it will be a good and valid discharge of all such indebtedness.

Eighty percent (80%) of all sums due the Proprietor under this Agreement will be paid directly to the Proprietor at: 1, Sdert Shaul Hamelech, Tel-Aviv 6573301, Israel.

Nothing in this paragraph 23 will be deemed to change the amounts otherwise payable by the Publisher under this Agreement.

INSERT OF ADVERTISEMENTS

24. Advertisements other than for other books **published by the Publisher** may not be printed in any edition of the Work, ~~whether~~ issued by the Publisher ~~or its licensee~~, without the Proprietor's written consent. The Proprietor may require that a share of the advertising proceeds, if any, be paid to the Proprietor as a condition for the Proprietor's consent, if the Proprietor so elects. Nothing herein will preclude the Publisher from authorizing a book club to include notices of availability of other products from the book club within the book club's edition of the Work. **Any license granted by the Publisher to reprint the Work in book club editions must explicitly prohibit the licensee from printing advertisements other than for other books published by such licensee in its edition of the Work without the written consent of the Proprietor. There will be no advertisements in the Publisher's hardcover edition of the Work.**

ASSIGNMENT

25. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Publisher and the Proprietor. ~~The Publisher may assign this Agreement and the rights granted to it hereunder.~~ The Proprietor may assign any net sums due to the Proprietor hereunder, but may not otherwise assign any of the Proprietor's rights under this Agreement or delegate any of the Proprietor's duties or obligations under this Agreement. **The Publisher may not assign this Agreement to any other person or company except that the Publisher may assign it to a subsidiary, parent or affiliated company (provided the Publisher remains responsible for the acts of omission of any such subsidiary, parent or affiliated company-assignee), to a successor of the Publisher by merger, consolidation or reorganization of the Publisher or in connection with a sale of (i) all, or substantially all, of the assets of the Publisher, (ii) all or substantially all of the Publisher's trade publishing business, or (iii) all or substantially all of the Publisher's business involving an imprint or significant part of the Publisher's trade publishing business. The foregoing will in no way be deemed as limiting the rights of the Publisher to license rights in the Work granted to it by this Agreement.**

FURTHER DOCUMENTS

26. The Proprietor agrees to execute and deliver to the Publisher any and all documents in proper or customary form necessary or helpful to the exercise, sale, license or other disposition of any or all rights granted to the Publisher herein, or for more fully carrying out the purposes and intent of this Agreement. The Proprietor hereby irrevocably appoints the Publisher as the Proprietor's attorney-in-fact to execute any such documents.

FORCE MAJEURE

27. The Publisher will not be liable for delays in its performance caused by wars, civil riots, terrorism, strikes, fires, acts of nature, governmental restrictions, unavailability of materials, supplies or press time or other circumstances beyond its reasonable control, **provided, however, that if the condition constituting the force majeure is not one affecting the publishing industry in New York City generally, the maximum extension of the deadline for the Publisher's publication of the Work specified in paragraph 11(b) by reason of such condition will be ~~six (6)~~ twelve (12) months.**

PUBLISHER'S DEFAULT

28. If the Publisher commits a material breach of this Agreement (including, without limitation, a material default in its obligation to pay royalties) and neglects or refuses (other than by reason of Force Majeure) for a period of 30 days after receiving written notice specifying such default sent by the Proprietor by certified or registered mail, return receipt requested, to cure such default (or, if such default is of a nature that it cannot reasonably be completely cured during such 30 days, neglects or refuses, other than by reason of Force Majeure, to commence to cure such default before the end of such 30 days or thereafter to diligently continue to cure such default), the Proprietor may terminate this Agreement by promptly sending a written notice of termination to the Publisher by certified or registered mail, return receipt requested. However, the Proprietor will have no right to terminate this Agreement in the event of a bona fide dispute over whether or not the Publisher has committed a material breach of this Agreement, unless and until the Publisher neglects or refuses to cure such default for a period of 30 days after a **determination by a** court of competent jurisdiction ~~finally determines~~ that the Publisher has in fact committed such a material breach.

REMEDIES

29. **Except as otherwise expressly provided, a**ll remedies granted to **either party** ~~the Publisher~~ pursuant to any provisions of this Agreement are cumulative and neither the availability nor exercise of any such remedy will prevent **either party** ~~the Publisher~~ from exercising any other remedy which it would otherwise have under this Agreement or by law. In no event will the Publisher be liable to the Proprietor for any consequential or incidental (as opposed to direct) damages or for any exemplary or punitive damages. No person or entity is intended to be a third-party beneficiary of any of the Publisher's obligations hereunder. If the Proprietor is more than one entity, ~~all payments due to the Proprietor will be split equally among the entities comprising the Proprietor (provided that each such person may assign all or part of any sums due to such person hereunder), and~~ the liabilities and obligations of the entities comprising the Proprietor will be joint and several.

NOTICES

30. All notices, bills, requests, demands or other written communications required or permitted to be given by any of the provisions of this Agreement will be sufficient if sent by regular first class mail (unless the provision permitting or requiring such notice, bill, request, demand or other communication calls for another type of mail, in which case such other type of mail will be required) and will be deemed given when mailed (unless the provision permitting or requiring such notice, bill, demand or other communication will otherwise provide). All such notices, bills, requests, demands or other communications will be addressed to the Proprietor at the address set forth at the beginning of this Agreement and to the Publisher at the then current address for the Publisher's main offices (or to such other address for a party as that party will have designated by thirty (30) days' prior written notice to the other party).

ENTIRE AGREEMENT

31. This Agreement constitutes the entire agreement between the Publisher and the Proprietor. This Agreement may not be amended or modified, and no rights or obligations of any party to this Agreement may be modified, extended or waived, except in a writing signed by the party (or its duly authorized agent) against whom such amendment, modification, extension or waiver is to be enforced. Without limiting the generality of the foregoing, whenever the Publisher or the Proprietor is given a right to terminate this Agreement pursuant to any of the provisions of this Agreement, no negotiations between the Publisher and the Proprietor nor any other act of the Publisher or Proprietor (other than an express waiver in writing signed by the Publisher or the Proprietor) at any time will be deemed a waiver of the right of termination nor of the effectiveness of any notice of termination. This Agreement does not create, and will not be construed as creating, a partnership or joint venture or employment relationship between the Proprietor and the Publisher. This Agreement is not binding on the Publisher, and the Publisher is not obligated with respect to the Work, unless and until this Agreement is executed by the Chairman, President, Chief Operating Officer, a Vice-President or General Counsel of the Publisher.

APPLICABLE LAW

32. This Agreement, and the rights and remedies of the parties with respect to it, will be governed by the internal laws of the State of New York. Each party hereby submits to the sole and exclusive in personam jurisdiction of the courts of the State of New York located in New York County, or, if subject matter jurisdictional prerequisites exist at the time, to the sole and exclusive in personam jurisdiction of the federal courts located in New York, with venue to be in the Southern District of New York, for the resolution of all disputes between them arising out of or related to this Agreement (including, but not limited to, any alleged breach thereof). Each party agrees not to contest venue in New York County or the Southern District of New York, as the case may be, not to seek transfer of any action or proceeding to any other county or district and not to bring any action or proceeding relating to any such dispute in any other court or forum (except to enforce a judgment obtained in one of such courts). The parties each hereby waive trial by jury in any action or proceeding between them arising out of or related to this Agreement or any alleged breach thereof.

CAPTIONS

33. The captions of the various paragraphs and subparagraphs of this Agreement have been inserted only for the purposes of convenience; such captions are not a part of this Agreement and

will not be deemed, in any manner, to modify, explain, enlarge or restrict any of the provisions of this Agreement.

MISCELLANEOUS

34. (a) *Approvals.* The Publisher will request the Proprietor's approval of the following:

(i) with respect to premium sales by the Publisher, the identity of the company or organization purchasing the copies and their intended use;

(ii) any condensations, adaptations and abridgements of the Work;

(iii) any single products or services published or authorized by the Publisher that combine rights granted under multiple subparts of paragraph 4 (e.g., both Selection Rights and Sound Reproduction Rights);

(iv) with respect to any enhanced electronic edition, the inclusion of any audiovisual elements added to the Work for the purpose of enhancing the content of the Work, and any changes to the text of the Work (excluding any typographic or conversion errors or minor changes to the text);

(v) media advertisements and other promotional materials that utilize dialogue, video, animation, moving images and/or interactive elements based on the Work or Derivative Works Publisher Materials and/or on the plot elements, characters, fanciful places, situations, facts, ideas and events portrayed in the Work or Derivative Works Publisher Materials;

(vi) the terms of the license to any unaffiliated third party of First Serial Rights and Second Serial Rights;

(vii) products containing a reproduction of the jacket or cover of any edition of the Work with the Author's name visible thereon when such products are offered for sale by the Publisher;

(viii) the inclusion of the Work in a Collection;

(ix) the choice of selection with respect to sales by the Publisher of portions from the Work described in paragraph 4(c)(ii); and

(x) with respect to advertisements (other than for other books) that are inserted by the Publisher in the digital file for the Publisher's electronic book editions of the Work, the identity of the advertiser and the product or service advertised.

The Proprietor will not unreasonably withhold, condition or delay such approval.

(b) *Consultations*. The Publisher will consult with the Proprietor concerning the following, but the Publisher's decision with respect to such matters will be final:

(i) the cover design, cover copy and catalog copy of the Publisher's initial edition of the Work;

(ii) the terms of the license to any unaffiliated third party of English language hardcover and paperback reprint rights in the United States and Canada;

(iii) the terms of the license to any unaffiliated third party of English language hardcover and paperback reprint rights licensed for exercise solely outside the United States, its territories and dependencies and Canada;

(iv) the terms of the license to any unaffiliated third party of Translation Rights; and

(v) the terms of the license to any unaffiliated third party of the right to publish a book club edition of the Work in the United States.

(c) *Mutual Agreements.* The title of the Work will be mutually agreed upon by the Publisher and the Proprietor.

35. In the event the Publisher is adjudicated a bankrupt or makes an assignment for the benefit of creditors, the Proprietor may terminate this Agreement by written notice, effective immediately, and upon such termination the rights herein granted to the Publisher will revert to the Proprietor subject to the provisions of paragraph 20(b). In such event all payments theretofore made to the Proprietor will belong to the Proprietor without prejudice to any other remedies which the Proprietor may have.

36. Any controversy or claim arising out of the Option contained in paragraph 22 (only) of this Agreement, or the breach of the options contained therein, will be settled by arbitration in accordance with the rules then obtaining of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction. Such arbitration will be held in the City of New York unless otherwise agreed by the parties. The parties will not be required to submit any other dispute, controversy or claim arising out of or relating to this Agreement to arbitration.

37. *Additional Definitions.* For the purposes of this Agreement, the following terms will have the following meanings:

(a) "Multimedia Rights," means the rights to create, to publish and to use in electronic media, works in any language based on the Work (including the rights to create, and to incorporate into those works, text, dialogue, sounds, music, artwork, video, animation, moving images, interactive elements, and other matter whether or not taken or derived from the Work or from the plot elements, characters, fanciful places, situations, facts, ideas and events portrayed in the Work) provided however that any text taken from the Work that is included in any such Multimedia products or services is subject to the limitation in paragraph 7 above.

(b) "Motion Picture and Television Rights," means the rights to exploit the Work and the Author's name (as the author of the Work) in motion pictures (including without limitation made-for-television movies), television series and mini-series ("Motion Pictures"), and in prequels and sequels to such Motion Pictures, and the rights to distribute and sell such Motion Pictures and prequels and sequels by all mechanical or electronic visual reproduction, display and performance, transmission and broadcast methods and technologies now known or hereafter devised (including by means of cassettes, DVDs, and other devices for home play and the right to use such Motion Pictures and prequels and sequels in electronic media).

(c) "Dramatic Rights," means the rights to create, perform and use live theatrical stage productions and dramatic radio productions based on the Work, and productions that set the Work to music.

(d) "Game Rights," means the rights to create games of any type, including without limitation board games, video games, electronic games and games to be played over the internet or other digital networks, in any language based on or derived from the Work and/or ~~text,~~ artwork, plot elements, characters, fanciful places, situations, facts, ideas, and events in the Work ("Games"), and to use Games in any manner or media.

(e) "Merchandising and Commercial Rights," means the rights to exploit the Work and the Author's name (as the author of the Work), and/or to use material ~~taken or~~ derived from the Work or from the plot elements, characters, fanciful places, situations, facts, ideas and events in the Work, in connection with merchandise, services or other commercial uses.

38. The Proprietor will make arrangements with a writer (the "Writer") to co-write the Work. The Publisher will have the right to approve the identity of the Writer. The Proprietor will be responsible for making any payments that may be due the Writer in connection with the Work and for obtaining in writing at least all rights in the Work granted to the Publisher under this Agreement ~~as well as the right to use the Writer's name or other likeness in connection with the Work~~.

39. If, prior to the end of the second full accounting period following the accounting period that includes the Publisher's official publication date for its initial hardcover edition of the Work, the Publisher makes regular sales, through regular hardcover channels in the United States, of 75,000 copies or more of that hardcover edition (net of any actual returns and the Publisher's reserve for future returns), then the Publisher will pay to the Proprietor as a bonus an additional advance against the Proprietor's earnings from all sources under this Agreement of Fifty Thousand Dollars ($50,000).

In witness whereof, the parties hereto have duly executed this Agreement.

Ergo, Ltd.

By:_____
Name:
Title:

ST. MARTIN'S PRESS, LLC

By:_____
Name: Steve Cohen
Title: Executive Vice President and Chief Operating Officer